

OFFERING CIRCULAR



KAMPGROUNDS OF AMERICA, INC.

MARCH 27, 1996

**INFORMATION FOR PROSPECTIVE FRANCHISEES
REQUIRED BY FEDERAL TRADE COMMISSION**

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TO PROTECT YOU, WE'VE REQUIRED YOUR FRANCHISOR TO GIVE YOU THIS INFORMATION. WE HAVEN'T CHECKED IT, AND DON'T KNOW IF IT'S CORRECT. IT SHOULD HELP YOU MAKE UP YOUR MIND. STUDY IT CAREFULLY. WHILE IT INCLUDES SOME INFORMATION ABOUT YOUR CONTRACT, DON'T RELY ON IT ALONE TO UNDERSTAND YOUR CONTRACT. READ ALL OF YOUR CONTRACT CAREFULLY. BUYING A FRANCHISE IS A COMPLICATED INVESTMENT. TAKE YOUR TIME TO DECIDE. IF POSSIBLE, SHOW YOUR CONTRACT AND THIS INFORMATION TO AN ADVISOR, LIKE A LAWYER OR AN ACCOUNTANT. IF YOU FIND ANYTHING YOU THINK MAY BE WRONG OR ANYTHING IMPORTANT THAT'S BEEN LEFT OUT, YOU SHOULD LET US KNOW ABOUT IT. IT MAY BE AGAINST THE LAW.

THERE MAY ALSO BE LAWS ON FRANCHISING IN YOUR STATE. ASK YOUR STATE AGENCIES ABOUT THEM.

**FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580**



Franchise Offering Circular

Kampgrounds of America®, Inc.
A Montana Corporation
550 North 31st Street
P.O. Box 30558
Billings, MT 59114
(406) 248-7444

The franchise offered is for the operation of an open to the public park/campground business using the name KOA and other logos, trademarks and business slogans authorized by Kampgrounds of America, Inc.

The initial franchise fee is \$5,000 to buy an existing KOA campground, and the estimated initial investment required ranges from \$131,950 to \$2,188,300.

The initial franchise fee is \$15,000 to convert your campground to a KOA campground, and the estimated initial investment required ranges from \$42,293 to \$384,750. This investment range does not include the cost of the campground.

The initial franchise fee is \$20,000 to build a new KOA campground, and the estimated initial investment required ranges from \$501,895 to \$1,348,020. This investment range does not include the cost of utility hookups, tap fees, impact fees, wastewater treatment facilities.

Risk Factors:

1. THE FRANCHISE AGREEMENT REQUIRES THAT ALL DISAGREEMENTS BE SETTLED BY ARBITRATION IN MONTANA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN MONTANA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT MONTANA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Information about comparisons of franchisors is available. Call the state administrators listed in Exhibit 1 or your public library for sources of information.

Registration of this franchise with the state does not mean that the state recommends it or has verified the information in this offering circular. If you learn that anything in this offering circular is untrue, contact the Federal Trade Commission and the state authority listed in Exhibit 1.

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Item 1

THE FRANCHISOR, ITS PREDECESSORS AND AFFILIATES

To simplify the language in this offering circular "KOA", "We", or "Us" means Kampgrounds of America, Inc., the franchisor. "You" means the person who buys the franchise. You includes your corporation and its shareholders, your limited liability company and its members, or your partnership and its partners, if a corporation, limited liability company, or a partnership buys the franchise. KOA is a Montana corporation that was incorporated on June 3, 1960. We do business as KOA. Our principal business address is 550 North 31st Street, Billings, Montana. Our mailing address is P.O. Box 30558, Billings, Montana, 59114-0558. KOA does not have any predecessors.

KOA's agent for service of process is disclosed in Exhibit 1.

We offer and sell franchises for the development and operation of a system of privately-operated, open to the public park/campground businesses under the trade name KOA. The franchised campgrounds must provide parking and tenting sites to travelers who are using recreational vehicles, travel trailers, camping trailers and tents for their living accommodations while they travel to or vacation at their destination. The campground must also offer Kamping Kabins®, a convenience store, laundry, showers, rest rooms and other amenities.

KOA is owned by Mid Pacific Air Corporation ("Mid Pacific"), a Delaware corporation. KOA Holdings Inc. ("KOA Holdings"), a Delaware corporation owns Mid Pacific. Neither Mid Pacific nor KOA Holdings sells franchises or offers products or services to KOA's franchisees.

KOA owns 3 affiliates that offer franchises or services to franchisees. They are: (1) Kampgrounds of America (Canada) Ltd. ("KOA-Canada"), an Alberta (Canada) corporation; (2) Kampgrounds of America-Mexico, Inc. ("KOA-Mexico"), a Montana corporation; and (3) West Advertising, Inc. ("West Ad"), a Montana corporation. Each of these affiliates have the same principal business address as KOA except KOA-Canada whose business address is 6-295 Queen Street East, Suite 1201, Brampton, Ontario L6W 4S6.

KOA has 2 other affiliates which offer franchises for other types of businesses. They are: (1) Sir Speedy, Inc. ("Sir Speedy"), a California corporation, and (2) Comprehensive Business Services, Inc. ("Comprehensive") a California corporation. Both companies principal business address is 26722 Plaza Drive, Mission Viejo, California 92691. Our parent company, KOA Holdings, owns Sir Speedy and Sir Speedy owns Comprehensive.

The first KOA campground was constructed by KOA in Billings, Montana in 1962. KOA has continuously operated campgrounds similar to the type you will operate, and has been offering franchises for KOA campgrounds since 1962. We sold the first franchise in 1963. KOA has not offered franchises in any other line of business.

You will be competing with independent campgrounds, state and federal campgrounds and other campground chains. The market for the services offered by your campground is well developed, and consists of that portion of the population in the United States and Canada that uses recreational vehicles, trailers, cabins or tents for living accommodations while traveling or

vacationing. The demographics of the market population are broad and include young and old, families and singles, modest income and high income, currently employed and retirees.

You will be required to obtain a variety of permits from local and state government agencies to operate your campground. You will also be required to comply with all local, state and federal health, sanitation, environmental and zoning laws in the operation of your campground. If you construct a new campground, you may be assessed impact fees by the local government. There may be other laws applicable to your business and we urge you to make further inquiries about these laws.

None of our affiliates operate campgrounds. However, 2 of our affiliates offer franchises for the operation of KOA campgrounds. KOA-Canada has offered franchises for the operation of KOA campgrounds in Canada since October 31, 1968. As of December 31, 1995 it had sold 40 KOA campground franchises in Canada that were in operation and it continues to offer franchises for KOA campgrounds in Canada. KOA-Mexico first offered franchises for the operation of KOA campgrounds in Mexico in 1994. As of December 31, 1995 it had sold 12 KOA campground franchises in Mexico. Neither Sir Speedy or Comprehensive offer franchises for the operation of KOA campgrounds.

Two of our affiliates offer franchises for other types of businesses. Sir Speedy has offered franchises for printing centers since 1968. As of December 31, 1995 Sir Speedy had franchised 734 printing center franchises in the U.S. and 14 foreign countries. As of December 31, 1995, Sir Speedy had also franchised 19 copy centers under the name Copies Now in the U.S. and Canada. Comprehensive has offered franchises for accounting businesses and financial services since September, 1990. As of December 31, 1995 it had 290 Comprehensive Accounting franchises in the U.S. and Canada.

Item 2

BUSINESS EXPERIENCE

Directors and Principal Officers

President, Chief Executive Officer and Director: Arthur M. Peterson

Mr. Peterson has been President, Chief Executive Officer and Director of KOA since May, 1980.

Director: Oscar L. Tang

Mr. Tang was Co-founder, President and Chief Executive Officer of Reich and Tang, Inc., a financial services firm, from 1970 to September, 1993. In September, 1993, Reich and Tang combined operations with New England Investment Companies. Following the combination, Mr. Tang became a Director and Consultant of New England Investment Companies, Inc. Mr. Tang became a Director of KOA in May, 1981.

Vice President and Treasurer: Harry A. Cuff

Mr. Cuff has been Vice President and Treasurer of KOA since 1986.

Senior Vice President of Marketing & Franchisee Services: Kent R. Zimmerman

Mr. Zimmerman has been Senior Vice President of Marketing and Franchisee Services of KOA since January, 1990.

Vice President Franchisee Services & New Business Development: Patrick C. Hittmeier

Mr. Hittmeier was Vice President of New Business Development of KOA from August, 1988 to December, 1993 when he was promoted to Vice President of Franchisee Services and New Business Development.

Vice President of Licensing: David W. Johnson

Mr. Johnson has been Vice President of Licensing of KOA since 1987.

Vice President of Training & Quality Control: Thad Jones

Mr. Jones has been Vice President of Training and Quality Control of KOA since 1988.

Vice President of International Marketing: Homer Staves

Mr. Staves was Vice President of Customer Service of KOA from 1985 to December, 1995 when he was appointed Vice President of International Marketing.

Franchise Brokers:

Earl Barsness:

Mr. Barsness has been a franchise broker for KOA since February, 1990.

George Graham:

Mr. Graham has been a franchise broker for KOA since January, 1989.

James Mercer:

Mr. Mercer has been a franchise broker for KOA since May, 1986.

V. Cecil Pegram:

Mr. Pegram was a registered representative with New York Life Securities, Inc. in the Billings, Montana office from February, 1984 to June, 1992. In July, 1992 Mr. Pegram became a franchise broker for KOA.

Dan Singer:

Mr. Singer has been a franchise broker for KOA since September, 1989.

Item 3

LITIGATION

- (1) The Read Group, a Nevada General Partnership v. Kampgrounds of America, Inc., et al, #CV 88-6701, Second Judicial District, State of Nevada, Washoe County. Our franchisees breached the Franchise Agreement by nonpayment of monies owed and failed standards. Due to these contractual breaches, KOA was in the process of removing the franchisee's listing from the KOA Directory. On November 28, 1988, the franchisee filed suit against us to restrain KOA from deleting its KOA campground from the 1989 KOA Directory and for an accounting of money paid to KOA by the lessee of the franchisee's campground. We filed counterclaims against our franchisee seeking sanctions. On October 27, 1988, we filed an arbitration against our franchisee for unpaid royalties and other amounts owing us. On August 23, 1989, KOA obtained an arbitration award against our franchisee for \$42,100.39. The lawsuit in State Court and arbitration were settled October 31, 1989 and the parties entered into a confidential settlement agreement. On December 11, 1989, the parties filed a stipulation to dismiss case #CV 88-6701 in Nevada State Court. We did not make any payment to the franchisee as part of the settlement.
- (2) Rosamond v. Randy's Travel Town, Randy M. Brazzel and Kampgrounds of America, Inc., #78416, 26th Judicial District Court, Bossier Parish, Louisiana. On October 13, 1989, the buyer of the campground filed suit against the franchisee and us. The buyer claimed fraud was involved in the sale of the campground to them and asked for \$80,000 damages. We and the franchisee denied the buyer's claims. The case between KOA and the buyer was settled on February 1, 1991 and the parties entered into a confidential settlement agreement. We made a payment to the franchisee as a result of the settlement.
- (3) James I. McDaniel and Marilyn R. McDaniel v. Kampgrounds of America, Inc., #CV-N-89-357-ECR, United States District Court, District of Nevada. On May 17, 1989, former franchisees filed an action against us claiming negligent misrepresentation and breach of contract in the sale of a franchise to them. They asked for \$888,163 to \$1,728,947. The case was tried without a jury. On February 2, 1992, the Court ruled KOA did not commit fraud or breach of contract. The Court decided for the former franchisees on the negligent misrepresentation claim and awarded them \$132,406.25 plus interest. In 1992 we paid the former franchisee the amount of the judgment plus interest.

Other than these 3 actions, no litigation is required to be disclosed in this offering circular for KOA or our affiliates offering franchises using our marks.

Item 4

BANKRUPTCY

On January 23, 1988 Mid Pacific Air Service Corporation, filed a petition to reorganize under Chapter 11 of the U.S. Bankruptcy Code, and its plan of liquidation was confirmed on February 13, 1990. (U.S. Bankruptcy Court for the District of Hawaii, Case No. 88-00032). Mid Pacific (See Item 1) is the owner of KOA and Mid Pacific Air Service Corporation.

Homer Staves, a Vice President of KOA, assumed control of his family's cherry farm and processing operation in 1973. After successfully operating this business for six years, three years of successively bad weather caused severe financial losses. On March 1, 1982, Mr. Staves filed a petition to reorganize under Chapter 11 of the U.S. Bankruptcy Code, and was discharged on August 3, 1988. (U.S. Bankruptcy Court for the District of Montana, Missoula Division, Case No. 282-0075).

Other than these 2 actions, no person previously identified in Items 1 or 2 of this offering circular has been involved as a debtor in proceedings under the U.S. Bankruptcy Code required to be disclosed in this Item.

Item 5

INITIAL FRANCHISE FEE

You will pay a franchise fee of \$5,000 to \$20,000 depending on whether you 1) buy an existing KOA campground, 2) convert a campground to a KOA, or 3) build a new KOA campground.

1. Buy an Existing KOA campground

If you buy a campground that is already a franchised KOA campground, the franchise fee is \$5,000. You pay the franchise fee after your Franchise Application (see Exhibit 2) is accepted by KOA and at the time you sign the Franchise Agreement. KOA may extend the payment date until when you "close" on the purchase of the campground. KOA will not refund the \$5,000 after you have taken possession of the campground.

If you purchase an existing KOA campground through KOA's Licensing Department, you do not have to pay KOA the initial \$5,000 franchise fee.

2. Conversion of a campground to a KOA campground

If you convert a campground to a KOA campground, the franchise fee is \$15,000. You pay the franchise fee after your Franchise Application (see Exhibit 2) is accepted by KOA and at the time you sign the Franchise Agreement. You pay the \$15,000 franchise fee in two installments. You pay \$7,500 when you sign the Franchise Agreement. KOA then inspects your campground and gives you an addendum to the Franchise Agreement. The addendum contains a list of changes that KOA will require you to make to the campground or procedures to change in operating the campground before your non-KOA campground can be a KOA campground. You pay the second installment of \$7,500 when you sign the addendum to the Franchise Agreement. Before you open your campground for

business as a KOA campground you may buy equipment, supplies or merchandise from us, but you are not required to do so. Over the last year, the amounts paid to us for such items ranged from \$0 to \$4,000 for each campground opened during that period (See Item 7).

We loan you a KOA entrance sign and a choice of other KOA signs to use at your campground as part of your initial franchise fee.

KOA will refund all or a part of the franchise fee payments under the two following conditions:

- (1) If KOA does not accept your application the first installment of \$7,500 will be refunded to you.
- (2) If you elect not to make the changes to your campground listed in the addendum, KOA will retain \$5,000 for investigative costs, and refund \$2,500 of the first installment to you.

KOA does not give refunds under other circumstances.

3. Building a new KOA campground.

If you build a new KOA campground, the franchise fee is \$20,000. You pay the franchise fee in 2 installments after your Franchise Application (see Exhibit 2) is accepted by KOA. You pay the first installment to KOA of \$10,000 when you sign the Franchise Agreement. You must pay the second installment to KOA of \$10,000 on the scheduled date for the start of construction of your new campground or the actual construction date if it is earlier than the scheduled date. Your Franchise Agreement states the scheduled date for the start of construction.

We loan you a KOA entrance sign and a choice of other KOA signs to use at your campground as part of your initial franchise fee. Before you open your campground for business you may buy equipment, supplies or merchandise from us, but you are not required to do so. Over the last year, the amounts paid to us for such items ranged from \$0 to \$9,000 for each campground opened during that period (See Item 7).

KOA will refund all or a part of the franchise fee payments under the following conditions:

- (1) If KOA does not accept your application the first installment of \$10,000 will be refunded to you.
- (2) If KOA inspects your proposed campground site and notifies you the site is not acceptable, you have the option to have \$5,000 of the first installment of \$10,000 refunded to you or you may find an alternative site. If you elect to have the refund, KOA will retain \$5,000 for investigative services, and refund the balance of \$5,000 of the first installment to you.
- (3) If within one year of the effective date of your Franchise Agreement you are unable to (1) obtain campground development financing in a sufficient amount and on acceptable terms to you, or (2) obtain governmental approval to develop and operate the

campground, you will receive a partial refund of your first installment. KOA will retain \$5,000 for investigative services, and refund the balance of \$5,000 of the first installment to you.

- (4) KOA does not give refunds under other circumstances.

Item 6

OTHER FEES

Name of Fee (Note 1)	Amount	Due Date	Remarks
Royalty	8% of total registration receipts	Payable weekly on the Monday following the week being reported.	Registration receipts include all revenue from renting campsites or lodging facilities, including charges for water, electricity and sewer whether metered separately or not. Registration receipts do not include sales tax or use tax, or charges for television and telephone hookup.
Advertising	2% of total registration receipts	Same as Royalty fee.	Same as Royalty fee.
Additional Persons Attending Orientation Seminar	\$150 per person for seminar plus travel, food and lodging expenses	On or before attendance at the Orientation Seminar	We train 2 people free (see Item 11). Additional training is provided if necessary for you or your manager.
Value Kard® Sales	50% of proceeds of each Value Kard that is sold	Same as Royalty fee.	Value Kard entitles holder to a discount on registration charges at KOA campgrounds.
Annual Administrative Fee	\$300	August 31 of each year during term of Franchise Agreement .	Payment is due in advance for the year beginning September 1 and ending August 31.

Name of Fee (Note 1)	Amount	Due Date	Remarks
Delinquent Charges	1 % per month on all amounts owing to KOA that are 30 days or more in arrears.	Upon billing.	If 1 % per month exceeds the state's legal interest rate, then the state's highest legal rate of interest will be charged.
Audit (Note 2)	Cost of audit fee plus an amount equal to 200% of underpayment.	10 days after billing and copy of audit is delivered.	The audit fee is payable only if audit shows an underpayment of royalties and advertising assessment of \$100 or more.
Inventory	Depends on size of store	Upon billing	You are not required to purchase from KOA but you must make periodic purchases to maintain a minimum store inventory.
Orientation Seminar Tuition	Included in franchise fee (see Item 5).	Prior to attendance of seminar.	KOA trains 2 persons free when the initial franchise fee is paid (see Items 5 and 11). However, if you attend Orientation Seminar before you take possession of the campground, a \$2,500 fee is required in addition to the Franchise Fee. This \$2,500 is refunded when you take possession of the campground. It is not refunded if you do not take possession of the campground.
Management School Tuition	Varies from \$100 to \$1,000 per person.	Prior to attendance of school.	Must attend within first year after you sign current Franchise Agreement.
Transfer	\$5,000	On or before you sell your KOA campground.	Payable when the KOA campground is sold. No charge if KOA campground transferred to a corporation that you control or to your children.

Name of Fee (Note 1)	Amount	Due Date	Remarks
Indemnification	Will vary under circumstances	As incurred	You have to reimburse us if we are held liable for claims arising out of your campground operation.
Insurance	Will vary under circumstances	As incurred	Payable when you take over ownership of campground. Franchise Agreement requires General Liability with limits of \$2,000,000 and Auto Liability of \$1,000,000.
Costs and attorney's fees	Will vary under circumstances	As incurred	Payable upon your failure to comply with trademark sections of Franchise Agreement or if you refuse to permit us to inspect your campground or your records.
Arbitration fees	Will vary under circumstances	As incurred	Payable upon your failure to comply with other provisions of the Franchise Agreement.
Reservation System fees	\$.50 for each reservation accepted through KOA system.	As incurred	Payable to KOA. . (While the reservation vouchers are no longer being sold at campgrounds after December 31, 1995, there may have been some vouchers sold before this time period that will be redeemed in 1996.
Reservation System fees	.10 to .48 per minute use fee for the 800 reservation number system.	As incurred	Payable to KOA. (The cost of the per minute charge does not reflect the rebate the campground will be receiving at year end from the telephone company. The rebate will be based on the total minutes used by all the KOAs in the KOA system.

Notes:

- 1) All fees are imposed by and are payable to KOA. All fees are non-refundable.
- 2) Interest begins from the date of the underpayment.

Item 7

INITIAL INVESTMENT

Your initial investment in a campground will vary depending on whether you 1) buy an existing KOA campground, 2) convert a campground to a KOA campground, or 3) build a new campground. All 3 options are presented to you in tabular form.

1) Buy an Existing KOA Campground

Expenditures	Estimated Amount or Estimated Low- High Range	When Payable	Method of Payment	Whether Refundable	To Whom Payment Is To Be Made
Initial Franchise Fee (Notes 1a and 2a)	\$5,000	At signing of Franchise Agreement	Lump Sum	No	KOA
Real Estate and Improvements, equipment and signs (Notes 3a and 4a)	\$110,000 to \$2,000,000	As specified in your campground purchase agreement	As specified in your campground purchase agreement	No	Seller of campground
Additional Improvements (Note 5a)	0 to \$10,000	As incurred	As agreed	No	Outside suppliers
Miscellaneous Opening Costs (Note 6a)	\$5,000 to \$39,000	As incurred	As agreed	No	Suppliers, utilities, local and state government agencies
Opening Inventory (Note 7a)	0 to \$40,000	As incurred	As agreed	No	Seller of campground, KOA or outside suppliers

Expenditures	Estimated Amount or Estimated Low- High Range	When Payable	Method of Payment	Whether Refundable	To Whom Payment Is To Be Made
Advertising First 3 months	\$670 to \$2,500	As incurred	As agreed	No	Our affiliate and/or outside suppliers and advertising sources
Royalty and Advertising Fees First 3 months (Note 8a)	\$1,300 to \$9,800	Weekly and as incurred	Weekly	No	KOA
Additional Funds (Note 9a)	\$9,980 to \$82,000	As incurred	Lump sum and as incurred	No	KOA and Third parties
Total Estimated Initial Investment (Note 10a)	\$ 131,950 to \$ 2,188,300				

Notes:

- 1a) KOA may extend the payment date to when you "close" on the purchase of your campground. (See Item 5)
- 2a) The travel expenses for you and another person to attend KOA's Orientation Program in Billings, Montana are included in your franchise fee. You and another person are also provided lodging and planned meals while attending the training program.
- 3a) During 1993, 1994, 1995 103 KOA campgrounds were sold in the United States. The sales price generally included the real estate, all buildings and structures, equipment and signs. The sales prices varied from \$110,000 to \$2,000,000 and the down payment varied from 11% to 74% of the sales price. The down payment and terms for the payment of the balance of the purchase price are negotiated between you as buyer and the seller or the financial institution where you obtain a loan.
- 4a) The "KOA" signs on the campground you buy are owned by KOA and loaned to you as long as you have a Franchise Agreement with us. You must maintain the signs in compliance with our current sign policy and replace them at your expense when they deteriorate.

- 5a) When you buy an existing KOA campground KOA may require you to make certain improvements to the campground. As an example we may require you to paint the buildings on the campground to conform to KOA's required color scheme, to replace signs, to bring the campground up to our standards, to install Kamping Kabins®, or other requirements from the Franchise Agreement and operating manuals. (See Item 8)
- 6a) This item covers miscellaneous opening costs and expenses, such as billing or installation charges of telephones (including the addition of an 800 reservation system number), deposits for gas, electricity, and related items, business licenses, legal and accounting expenses and insurance premiums. You are obligated to obtain and maintain, at your expense, insurance coverage on your campground and to name KOA as an additional insured. You currently are required to maintain, in the amounts we prescribe in the Franchise Agreement, comprehensive liability coverage, property damage, bodily injury, automobile liability and workers' compensation insurance coverage. The cost of this coverage will vary depending on the insurance carrier's charges, terms of payment and your history. All insurance policies must name KOA as an additional insured party.
- 7a) When you buy an existing KOA campground it is customary to purchase the inventory from the seller of the campground. The amount you pay will depend on what the seller has in stock and what you and the seller agree the price should be. You may also decide to add to your inventory by buying additional items from KOA or outside suppliers. Minimum inventory requirements are established in our operations manual.
- 8a) This item estimates your Royalty and Advertising Expense for the first 3 months. The low figure assumes a 3,000 camper night campground and the high figure assumes a 25,000 camper night campground (See Item 19).
- 9a) This item estimates your initial start-up expenses for the first 3 months. These expenses include payroll costs, and may not include any draw or salary for you. The low figure assumes a 3,000 camper night campground and the high figure assumes a 25,000 camper night campground (see Item 19). Either figure could be higher or lower. These figures are estimates, and you may have additional expenses starting the business. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; national and regional economic conditions; the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the initial period. The amount of revenue your KOA campground will produce depends on many other factors, including the geographic location of the campground and the seasonality of its business. These figures do not include interest expense, depreciation or lease payments.
- 10a) We relied on our 30 plus years of experience in the campground business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise and campground. Your actual investment could be different from our experience. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing will depend on factors such as the availability of financing generally, your credit worthiness, collateral you may have and lending policies of financial institutions. When you buy an existing KOA campground the seller will usually carry back part of the purchase price on a contract, deed of trust or

mortgage. Our estimates do not include any finance charges, interest or debt service obligations.

2) Convert a Campground to a KOA

Expenditures	Estimated Amount or Estimated Low-High Range (Note 1b)	When Payable	Method of Payment	Whether Refundable	To Whom Payment Is To Be Made
Initial Franchise Fee (Notes 2b and 3b)	\$15,000	At signing of Franchise Agreement	Lump sum or ½ on signing of Franchise Agreement and ½ on signing amendment to Franchise Agreement	Partially	KOA
Real Estate and Improvements, equipment and signs (Notes 4b and 5b)	—	—	—	—	—
Additional Improvements (Note 6b)	\$15,000 to \$250,000	As incurred	As agreed	No	Outside suppliers
Miscellaneous Opening Costs (Note 7b)	\$0 to \$5,200	As incurred	As agreed	No	Suppliers, utilities, local and state government agencies
Opening Inventory (Note 8b)	0 to \$20,000	As incurred	As agreed	No	KOA or outside suppliers
Advertising First 3 months	\$1,000 to \$5,000	As incurred	As agreed	No	Our affiliate and/or outside suppliers and advertising sources

Expenditures	Estimated Amount or Estimated Low-High Range (Note 1b)	When Payable	Method of Payment	Whether Refundable	To Whom Payment Is To Be Made
Royalty and Advertising Fees First 3 months (Note 9b)	\$1,313 to \$9,800	Weekly and as incurred	Weekly	No	KOA
Additional Funds (Note 10b)	\$9,980 to \$79,750	As incurred	Lump sum and as incurred	No	KOA and Third parties
Total Estimated Initial Investment (Note 11b)	\$42,293 to \$384,750	-----	Does not include cost of campground	-----	-----

Notes:

- 1b) The low figure assumes a 3000 camper night campground with basic amenities, the high figure assumes a 25,000 camper night campground with basic amenities (see Item 19). Both the low and high figures could be higher depending on costs and materials that are needed to bring the campground into the KOA system. Also, the type of amenities that are added could also increase the cost. For example, while KOA only requires that two Kamping Kabins be built the owner may elect to erect more than two.
- 2b) You pay 1/2 of the fee when you sign the Franchise Agreement, and the balance (1/2 of the fee) when you sign the amendment to the Franchise Agreement that contains the list of changes to be made to your campground. (See Item 5)
- 3b) The travel expenses for you and another person to attend KOA's Orientation Program in Billings, Montana are included in your franchise fee. You and another person are also provided lodging and planned meals while attending the training programs.
- 4b) We assume that you already own your campground, including the real estate, buildings and structures, and equipment. Therefore, your initial investment in real estate, buildings and equipment is not included in this table.
- 5b) We will loan to you an exterior front entrance sign with a lighting package as well as directional signs and on-site signs for as long as you have a Franchise Agreement with us. Payment for the use of these signs is covered by the license fee you pay to us. You may buy additional signs from us or an approved supplier if you wish. You must maintain these signs in accordance with our current sign policy and replace them at your expense, when they deteriorate.

- 6b) When you convert a campground to a KOA campground we will inspect your campground and prepare a list of improvements that we will require you to complete before you can operate your campground as a KOA campground. As an example we may require you to paint the buildings on the campground to conform to our required color scheme, to replace signs, to bring the campground up to our standards, to install Kamping Kabins, or other requirements from the franchise and operating manuals. (See Item 9)
- 7b) This item covers miscellaneous opening costs and expenses, such as installation of telephones (including an addition of an 800 number reservation system), deposits for gas, electricity and related items, business licenses, legal and accounting expenses and insurance premiums. If you have been operating your campground, you may not have any expenses in this category. You are obligated to obtain and maintain, at your expense, insurance coverage on your campground and to name KOA as an additional named insured. You currently are required to maintain, in the amounts we prescribe in the Franchise Agreement, comprehensive liability coverage, property damage, bodily injury, automobile liability and workers' compensation insurance coverage. The cost of this coverage will vary depending on the insurance carrier's charges, terms of payment and your history. All insurance policies must name KOA as an additional insured party.
- 8b) You will be required to have a fully stocked convenience store. The variance for the cost of the inventory considers factors as to the size of your store and whether you have some inventory before you convert to a KOA campground or must fully stock the store. Minimum inventory requirements are established in our operations manual.
- 9b) This item estimates your Royalty and Advertising Expense for the first 3 months. The low figure assumes a 3,000 camper night campground and the high figure assumes a 25,000 camper night campground (see Item 19).
- 10b) This item estimates your initial start-up expenses for the first 3 months. These expenses include payroll costs, which may include any draw or salary for you. These figures are estimates, and you may have additional expenses starting the business. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; national and regional economic conditions; the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the initial period. If you were already operating your campground before becoming a KOA campground you would not have any initial start-up expenses. The amount of revenue your KOA campground will produce depends on many other factors, including the geographic location of the campground and the seasonality of its business.
- 11b) We relied on our 30 plus years of experience in the campground business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. Your actual investment could be different from our experience. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing will depend on factors such as the availability of financing generally, your credit worthiness, collateral you may have and lending policies of financial institutions. Our estimates do not include any finance charges, interest or debt service obligations.

3) Build a New Campground

Expenditures	Estimated Amount or Estimated Low- High Range (Note 1c)	When Payable	Method of Payment	Whether Refundable	To Whom Payment Is To Be Made
Initial Franchise Fee (Notes 2c and 3c)	\$20,000	At signing of Franchise Agreement	Lump sum or ½ on signing of Franchise Agreement and ½ on date set for start of campground construction	Partially	KOA
Real Estate (Note 4c)	\$21,000 to \$600,000	As specified in your real estate purchase agreement	As agreed	No	Seller of real estate
Main Building (Note 5c)	\$148,325 to \$257,000	As incurred	As agreed	No	Outside suppliers
Site Costs (Note 6c)	\$171,000 to \$206,000	As incurred	As agreed	No	Outside suppliers
Other Buildings (Note 7c)	\$54,800 to \$66,050	As incurred	As agreed	No	Outside suppliers
Utility Costs (Note 8c)	-----	As incurred	As agreed	No	Suppliers and utilities
Optional Facilities (Note 9c)	\$9,500 to \$49,000	As incurred	As agreed	No	Suppliers
Equipment (Note 10c)	\$25,000 to \$36,200	As incurred	As agreed	No	Suppliers
Signs (Note 11c)	—	—	—	—	—
Miscellaneous Opening Costs (Note 12c)	\$22,500 to \$42,000	As incurred	As agreed	No	Suppliers, utilities, local and state government agencies

Expenditures	Estimated Amount or Estimated Low- High Range (Note 1c)	When Payable	Method of Payment	Whether Refundable	To Whom Payment Is To Be Made
Opening Inventory (Note 13c)	\$7,000 to \$20,000	As incurred	As agreed	No	KOA or outside supplier
Advertising First 3 months	\$1,000 to \$5,000	As incurred	As agreed	No	Our affiliate and/or outside suppliers and advertising sources
Royalty and Advertising Fees First 3 months (Note 14c)	\$2,770 to \$5,770	Weekly	Weekly	No	KOA
Additional Funds First 3 months (Note 15c)	\$19,000 to \$41,000	Weekly and as incurred	Lump sum and as incurred	No	KOA and third parties
Total Estimated Initial Investment (Note 16c)	\$501,895 to \$1,348,020	-----	Does not include cost of utility hookups, tap or impact fees and wastewater treatment	-----	-----

Notes:

- 1c) The low figure assumes a 75 site (6,750 camper night) campground with basic amenities that is seasonal (open 180 days of the year). It has a 40 x 40 main building with no living accommodations. The high assumes a 100 site (14,600 camper night) campground with basic amenities that is open all year (365 days of the year). The main building is 2166 square feet on the first floor and 1500 square feet on the second floor for living accommodations which include 3 bedrooms, full bath, utility room and a living room/kitchen combination. Both the low and high figures could be higher depending on construction costs and materials at the location of the campground to be built. Also, the type of amenities that are added could

increase the cost. For example, while KOA only requires that five Kamping Kabins be built for both examples the owner may elect to erect more than required.

- 2c) You pay $\frac{1}{2}$ of the fee when you sign the Franchise Agreement, and the balance of $\frac{1}{2}$ of the fee on the scheduled date construction is to begin on your campground. You and KOA will agree in writing in advance as to the date your construction will begin. All or a portion of your franchise fee may be refundable. (See Item 5)
- 3c) The travel expenses for you and another person to attend KOA's Development School in Billings, Montana are included in your franchise fee. You and another person are also provided lodging and planned meals while attending the training programs.
- 4c) You must have a minimum of 7 to 10 acres for your campground, and most campgrounds do not exceed 20 acres in size. The cost will vary depending on several factors. These factors will include the number of acres, access to major highway or destination attraction, section of the country, zoning considerations, noise level, drainage, availability of shade trees, and land usage adjacent to subject land.
- 5c) This is the high-low cost range for a main building which may provide living accommodations for you upstairs. The cost includes labor and material, but assumes the construction management is by the franchisee. If a general contractor is hired to coordinate the project, those fees must be added.
- 6c) This item includes the estimated cost of labor and materials for gravel roads, site pads, and electrical, water and sewer to the sites. It also includes some landscaping and miscellaneous equipment such as tables and playground accessories.
- 7c) This item includes the estimated cost of labor, including site work, and materials for 5 one room Kamping Kabins and a kitchen facility. The low-high range is used because labor costs vary in different locations and the size of a kitchen facility you decide to build also affects the cost.
- 8c) We are not able to estimate this expense because of the vast differences you will encounter throughout the United States. Utility costs include municipal impact fees for a campground, municipal tap fees for utilities, and wastewater sewage treatment costs. Wastewater and sewage treatment may be a municipal system, a septic system or an on-site treatment facility you build. This expense includes water and whether you have a well drilled or obtain the water from a municipality. You must also inquire about the cost of bringing electricity and telephone service to your site. Before you purchase any land for a campground you should do a preliminary investigation of these utility costs.
- 9c) This item includes optional facilities which you may construct on your campground. They are not required by your Franchise Agreement. The optional facilities are a storage building (materials) for the low figure and storage building (materials), pool, spa, fence, deck and pool house for the high figure. The estimated cost includes labor (except for pool house) and materials.

- 10c) This item includes equipment for use in your campground business such as a lawn mower, laundry equipment, store fixtures and disposal station as well as apartment appliances for your living area in the main building. These appliances would include range, range hood, and dishwasher.
- 11c) We will loan to you an exterior front entrance sign with a lighting package as well as directional signs and on-site signs for as long as you have a Franchise Agreement with KOA. Payment for the use of these signs is covered by the license fee paid to KOA. You may buy additional signs from KOA or an approved supplier if you wish. You must maintain these signs in accordance with KOA's current sign policy and replace them at your expense, when they deteriorate.
- 12c) This item covers miscellaneous opening costs and expenses, such as installation of telephones (to include an addition of an 800 number reservation system), deposits for gas, electricity and related items, business licenses, legal and accounting expenses and insurance premiums. This item also covers additional engineering costs and permits. You are obligated to obtain and maintain, at your expense, insurance coverage on your campground and to name KOA as an additional named insured. You currently are required to maintain, in the amounts we prescribe in the Franchise Agreement, comprehensive liability coverage, property damage, bodily injury, automobile liability and workers' compensation insurance coverage. The cost of this coverage will vary depending on the insurance carrier's charges, terms of payment and your history. All insurance policies must name KOA as an additional insured party.
- 13c) You will be required to have a fully stocked convenience store. The variance in the cost of the inventory is based on the size of your store and the type of items you stock. Minimum inventory requirements are established in our operations manual.
- 14c) This item estimates your Royalty and Advertising Expense for the first 3 months.
- 15c) This item estimates your initial start-up expenses for the first 3 months. These expenses include payroll costs, which may include any draw or salary for you. Further, these estimates do not include debt service or depreciation. These figures are estimates, and you may have additional expenses starting the business. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; national and regional economic conditions; the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the initial period. The amount of revenue your KOA campground will produce depends on many other factors, including the geographic location of the campground, and the seasonality of the business.
- 16c) We relied on our 30 plus years of experience in the campground business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise and develop a campground. Your actual investment could be different from our experience. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing will depend on factors such as the availability of financing generally, your credit worthiness, collateral you may have and lending policies of financial institutions. Our estimates do not include any finance charges, interest or debt service obligations.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS & SERVICES

You are obligated to operate your campground according to our standards, and to provide the services and facilities required in the Franchise Agreement and Operational Manuals. You are required to purchase or construct a central service building, Kamping Kabins, kitchen facilities, camp sites, sanitary disposal station(s), and signs, that meet our minimum standards and specifications. Our required standards regulate, among other things, the types and models of required buildings, paint colors, fixtures, equipment, sign materials, and supplies to be used in operating your campground. Our standards also regulate the minimum required inventory for your store. If you buy an existing KOA campground, the facilities and signs may already be on the campground, but they still must be in acceptable condition and meet our standards. We will notify you in our Operations Manual or other communications of our standards and specifications. We estimate the equipment and supplies you will purchase that meet our specifications will represent approximately less than 5% of your total purchases to establish your campground, and less than 1% of your annual operating expenses.

We will give you a list of suppliers of equipment, supplies and merchandise. If the item does not have our logo on it, you are free to use any of the suppliers we recommend to you, or any others you choose, as long as the other suppliers can supply items of substantially the same quality and specifications as those supplied by the recommended sources. We do not keep a list of approved suppliers of non-trademarked items, other than the ones we initially recommend to you.

Merchandise and supplies with our trademark must be purchased from suppliers we approve. We maintain a list of approved suppliers that sell items with our trademark. Suppliers of this merchandise are closely controlled by us so that we can assure proper reproduction of our trademarks and the quality of the product bearing our marks. Once we approve a supplier's merchandise or other items bearing our mark, we enter into a license agreement with that supplier to produce the items with our trademark on them. You are not required to purchase any of these items, but you may not have any product manufactured with our trademark on it. If you want to purchase these items from a supplier that has not previously been approved by us, you must notify us, and we will require the supplier to submit plans and materials to us to review to assure our specifications are met. If we decide to enter into a license agreement with that supplier, you will then be able to purchase items that have our trademark on it from this supplier. We do not charge any fees in connection with our approval, but the supplier may be required to pay license fees to us to reproduce our trademarks. These fees generally range from 0% to 5% of the price the supplier will charge you for these products.

One of our affiliates, West Ad, provides advertising services that meet our standards. You may use West Ad for your advertising agency services, but you are not required to do so. In the year ended December 31, 1995, West Ad received \$485,967 from franchisees for advertising services. West Ad also received \$436,704 from the KOA Advertising Fund (the "Advertising Fund") for services it provided to the Advertising Fund (see Item 11). These figures are taken from the internal operating statements of West Ad for the year ended December 31, 1995.

KOA is an approved supplier of merchandise and supplies that have our trademark on them. In some cases, these products may only be purchased through our Merchandise Department. In the

year ended December 31, 1995, our revenue from the sale of this merchandise to our franchisees was less than \$500,000, or 2% of our total revenues of approximately \$25,000,000.

We have negotiated special pricing arrangements or discounts with a number of people who can supply goods or services to you in the operation of your campground. The arrangements include special contract pricing, volume discounts, and specific discounts from regular wholesale prices. All of these discounts are passed on to our franchisees. We do not provide any other material benefits to franchisees based on their use of any approved supplier. We also receive rebates from some of our approved suppliers. These rebates generally range from 0% to 31% of the amounts purchased from the supplier.

While we do not have specifications for local advertising you create to promote your business, we do require that you use our trademarks in accordance with our specifications on any advertising materials you prepare that make use of our trademarks.

We do not have any purchasing or distribution cooperatives.

Item 9

FRANCHISEE'S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AND OTHER AGREEMENTS. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS OFFERING CIRCULAR.

Obligation	Section in Franchise Agreement (Note 1)	Item in Offering Circular
(a) Site selections and acquisition/lease	Q-1 -- None Q -- None	Items 7, 11 and 12
(b) Pre-opening purchases/leases	Q-1 -- None Q -- None	Items 5,7 and 8
(c) Site development and other pre-opening requirements	Q-1 -- Sec 3 Q -- None	Items 6, 7 and 11
(d) Initial and ongoing training	Q-1 -- Sec 3 Q -- Sec 3	Item 11
(e) Opening	Q-1 -- Sec 3 Q -- Sec 3	Items 7 and 11
(f) Fees	Q-1 -- Sec 3, 10 & 13 Q -- Sec 3, 10 & 13	Items 5, 6 and 7
(g) Compliance with standards and policies/Operations Manual	Q-1 -- Sec 3 Q -- Sec 3	Items 8 and 11

Obligation	Section in Franchise Agreement (Note 1)	Item in Offering Circular
(h) Trademarks and proprietary information	Q-1 -- Sec 2, 3, & 16 Q -- Sec 2, 3, & 16	Items 13 and 14
(i) Restrictions on products/services offered	Q-1 -- Sec 3 Q -- Sec 3	Items 8, 11 and 16
(j) Warranty and customer service requirements	Q-1 -- Sec 3 Q -- Sec 3	Item 8
(k) Territorial development and sales quotas	Q-1 -- Sec 1 Q -- Sec 1	Item 12
(l) Ongoing product/service purchases	Q-1 -- Sec 2 Q -- Sec 2	Item 8
(m) Maintenance, appearance and remodeling requirements	Q-1 -- Sec 3 Q -- Sec 3	Items 7, 8 and 11
(n) Insurance	Q-1 -- Sec 3 Q -- Sec 3	Item 7
(o) Advertising	Q-1 -- Sec 3 Q -- Sec 3	Items 6, 7, 8 and 11
(p) Indemnification	Q-1 -- Sec 3 Q -- Sec 3	Items 6 and 8
(q) Owner's participation/management/staffing	Q-1 -- Sec 3 Q -- Sec 3	Items 11 and 15
(r) Records/reports	Q-1 -- Sec 3 Q -- Sec 3	Item 6
(s) Inspections/audits	Q-1 -- Sec 3 & 10 Q -- Sec 3 & 10	Items 6 and 11
(t) Transfer	Q-1 -- Sec 3, 11 & 12 Q -- Sec 3, 11 & 12	Item 17
(u) Renewal	Q-1 -- Sec 7 Q -- Sec 7	Item 17
(v) Post-termination obligations	Q-1 -- Sec 9 Q -- Sec 9	Item 17
(w) Non-competition covenants	Q-1 -- Sec 14 Q -- Sec 14	Item 17
(x) Dispute resolution	Q-1 -- Sec 13 Q -- Sec 13	Item 17

Notes:

- 1) KOA has 2 forms of Franchise Agreements. The form Q-1 Franchise Agreement is used when you develop and construct a new campground. The form Q Franchise Agreement is used when you convert a non KOA campground to a KOA campground or if you buy an existing KOA campground.

Item 10

FINANCING

We do not offer any direct or indirect financing to our franchisees. We also will not guarantee any financing you might obtain.

Item 11

FRANCHISOR'S OBLIGATIONS

Except as listed below, we need not provide any assistance to you.

Before you open your campground, KOA will:

- (1) Designate your exclusive territory. (Q Franchise Agreement -- Section 1 and Q-1 Franchise Agreement -- Section 1).
- (2) Provide analysis and evaluation of the site you selected for your campground. (Q-1 Franchise Agreement -- Section 4(b)).
- (3) Assist you in the design and construction of your campground (Q-1 Franchise Agreement -- Section 4(a)).
- (4) Loan you a campground development plan and campground development guidelines manual. (Q-1 Franchise Agreement -- Section 4(b)).
- (5) Approve the plans and specifications, prior to construction, for the building, facilities and campground including landscaping, exterior design, color scheme, building structure, floor plan, decorations and fixtures (Q-1 Franchise Agreement -- Section 3(c)).
- (6) Loan you a standard KOA sign for use at the entrance to your campground, and such other highway signs as we specify. This does not include billboard signs (Q-1 Franchise Agreement -- Section 4(f)).
- (7) Loan you one copy of the KOA supply catalog and KOA operations manuals that we furnish to franchisees for use in operating a KOA campground. (Q-1 Franchise Agreement --Section 4(b). The Operations Manuals contain mandatory and suggested specifications, standards, operating procedures, rules and regulations that we prescribe. The Operations Manuals may be revised occasionally to reflect changes in our services

and facilities requirements, and standards. (Q-1 Franchise Agreement -- Section 3(k), Q Franchise Agreement -- Section 3(j)). The table of contents of the Operations Manuals as of our last fiscal year-end is attached to this offering circular as Exhibit 4.

- (8) Provide promotional guidance for the opening of your campground. (Q-1 Franchise Agreement -- Section 4(b)).
- (9) Train you at a KOA-U Development Seminar if you build a new KOA campground. (Q-1 Franchise Agreement -- Section 3(u)(I)). This training is described in detail later in this item.

During your operation of the campground, KOA will:

- (1) Train you at the first available KOA-U Orientation Seminar if you buy an existing KOA campground or convert a campground to a KOA campground, in which the Franchise Agreement is reviewed and basic training is conducted in the operation of a campground. (Q-1 Franchise Agreement -- Section 3(u)(II); Q Franchise Agreement -- Section 3(t).) This training is described in detail later in this item.
- (2) Make available to you, upon request, our services. This will include consulting with our officials and staff on problems relating to additional construction and operation of your campground. (Q-1 Franchise Agreement -- Section 4(a) and Q Franchise Agreement -- Section 4(a)).
- (3) Train you at a KOA-U management school. (Q-1 Franchise Agreement -- Section 3(v) and Q Franchise Agreement -- Section 3(u)). This training is described in detail later in this item.
- (4) Make available to you, upon request, information we have as to prices of equipment and supplies. This information may be provided in a supply catalog. (Q-1 Franchise Agreement -- Section 4(c) and Q Franchise Agreement -- Section 4(b)).
- (5) Make an annual distribution of the KOA Kampground Directory. This distribution normally begins after the beginning of a calendar year. (Q-1 Franchise Agreement -- Section 4(d) and Q Franchise Agreement -- Section 4(c)).
- (6) Work with campground equipment manufacturers, suppliers and other interested organizations to encourage camping in general and the use of KOA facilities in particular. (Q-1 Franchise Agreement -- Section 4(c) and Q Franchise Agreement -- Section 4(d)).
- (7) Revise or amend the services and facilities you are required to provide at your campground; and the manuals and standards that guide you in the operation of your campground. (Q-1 Franchise Agreement -- Section 3(k) and Q Franchise Agreement -- Section 3(j)).
- (8) Inspect the campground premises and your accounts from time to time, but usually once a year, to determine whether you and the campground are complying with the

Franchise Agreement and KOA's standards (Q-1 Franchise Agreement -- Section 3(m) and Q Franchise Agreement -- Section 3(l)).

- (9) Manage and administer the Advertising Fund (Q-1 Franchise Agreement -- Section 3(e) (i) and Q Franchise Agreement -- Section 3(d) (i)).

ADVERTISING

You are required to contribute 2% of your campground total registration receipts to the Advertising Fund (see Item 6). We also contribute to this fund 2% of the total registration receipts of the campgrounds we own. One franchisee pays less than 2% of campground total registration receipts to this fund. In addition, we use 12½% of the total 8% royalties paid by our franchisees from the preceding year for advertising and promotional programs that are separate from the amounts paid into this fund.

The amounts contributed to the Advertising Fund will be accounted for separately from our other funds, but will not be used to pay any of our general operating expenses, except for the overhead expenses we incur in activities related to the administration of the Advertising Fund. The Advertising Fund is used to pay the cost of preparing and producing video, audio, written advertising materials, and outdoor signage for international, national and regional advertising programs. These programs include direct mail and other media advertising. We will decide how to use the fund, but no expenditures will be made from the fund primarily to help us sell franchises. We are not required to ensure that expenditures from this fund are made in any geographic area in proportion to contributions made by campgrounds in that area.

We expect you to conduct your own local advertising to promote your campground. At the same time, we make copies of advertising materials we prepare available to our campground owners at their request. You may use any of the materials we provide to you, or you may create your own materials. If you do create your own materials, they must use our trademark in accordance with our specifications on any advertising materials you prepare that makes use of our trademarks (See Item 8). You are not required to participate in any local or regional advertising cooperative.

The advertising we produce is created by our affiliate, West Ad, and by a national advertising agency. West Ad receives payments from the Advertising Fund for the value of the services it provides (See Item 8). We may spend in any fiscal year an amount greater or less than the aggregate contribution of all KOA franchisees to the Advertising Fund in that year, and the Advertising Fund may borrow from us to cover deficits or invest any surplus for future use. All interest earned on money contributed to the Advertising Fund will be used to pay expenses of the fund. As of December 31, 1995 we carried a balance of \$1,403,345 in the Advertising Fund for future years.

Each year the Advertising Fund is audited by an independent certified public accounting firm. A copy of the Advertising Fund audit will be sent to you and all other franchisees. The Advertising Committee reviews a more detailed financial report of the Advertising Fund.

During the fiscal year ending December 31, 1995, a total of 1,742,849 was spent by the Advertising Fund. 3% was spent on production and research, 70% was spent on media placement,

1% was spent on administrative expenses, 21% was spent on outdoor advertising, and 5% on public relations and promotions. No money was spent by the Advertising Fund to solicit new franchisees.

There is one franchise advertising council that advises us on advertising policies, the Advertising Committee. The Kampground Owners Association, which is made up of our franchisees, appoints 3 members each year and KOA appoints 3 members each year. The Advertising Committee serves in an advisory capacity only. Our Franchise Agreement provides that we will use a franchisee advertising advisory committee, but we have the right to change the number of members, their term, and how they are appointed.

We do not have any local or regional advertising cooperatives.

LOCATION OF CAMPGROUND

If you build a new campground, you will select the site within your exclusive territory. While we do not approve or disapprove a campground site, we will provide you with an analysis and evaluation of the site. The site analysis includes proximity to area attractions, availability of utilities, soil and geographical conditions and topography. Also vegetation cover and climatic conditions are reviewed and traffic counts are considered. If you purchase an existing KOA campground or convert an independent campground to a KOA, the campground will already be existing within your exclusive territory, therefore, there is no necessity for a site analysis and evaluation.

TIME BETWEEN SIGNING FRANCHISE AGREEMENT AND OPENING CAMPGROUND

We estimate the typical length of time between the signing of the Franchise Agreement and the opening of your campground:

<u>Type of Campground</u>	<u>Interval</u>
(1) Newly developed and constructed campground	12 to 36 months
(2) Converting an independent campground to a KOA campground	A few days to 12 months
(3) Purchase of an existing KOA campground	A few days to 6 months

The length of time between signing the Franchise Agreement and opening your campground will also vary based upon factors such as the location and condition of the site or campground, the construction schedule for a new campground, the extent of upgrading or remodeling required for an existing KOA campground or a conversion campground, the delivery schedule for Kamping Kabins, equipment, fixtures, supplies, and signs, delays in securing financing arrangements, the time of year that you purchase the campground relative to the operating season of the campground, delays in completing training and your compliance with local laws and regulations.

COMPUTER SYSTEM

We do not require you to buy or use an electronic cash register or computer system to operate your KOA campground.

TRAINING

We have 3 training programs. They are explained below:

(1) KOA-U Development School

The KOA-U Development School is required for all franchisees who are developing and building a new campground and must be completed to our satisfaction. The Development School is held 5 to 6 times a year, before a site call is made on the campground, at our home office in Billings, Montana. The site calls are at the campground. The cost of this training program is included in the franchise fee for a new campground to be built (See Item 5). Travel expenses, hotel accommodations and planned meals for 2 people are also included. As of our most recent fiscal year-end, we provided the following Development School training:

Subject	Time Begun	Instructional Manual	Hours of Classroom Training (Note 1a)	Hours of On-the-Job Training (Note 1a)
Marketing Local Advertising	Day 1	Manual	4 hours	0
Operational	Day 1 & 2	Manual	3 ¼ hours	0
Campground Design - Building Construction	Day 2 & 3	Manual	7 ½ hours	0
Merchandising	Day 3	Manual	2 ¼ hours	0
Business Plan Preparation	Day 3	Manual	2 hours	0
Site Evaluation	After Development School classroom training is completed	0	0	4-8 hours site call
Campground construction	After construction of campground has begun	0	0	8 hours site call
Campground Procedures and Operations	When campground is first operational (30 to 60 days after opening)	0	0	16-24 hours site call

Notes:

- 1a) All of our instructors have 8 to 13 years of experience with us. Each of them has at least 12 years of experience in their field.

(2) KOA-U Orientation Seminar

The KOA-U Orientation Seminar is conducted for you prior to or shortly after you buy or convert your campground and must be completed to our satisfaction. You are required to attend the Orientation Seminar which will provide orientation of our staff and departments as well as training in basic operations and management of a KOA campground. The three day Orientation Seminar is held 5 to 6 times a year at our home office in Billings, Montana. The consultant visit is at the campground. The cost of the Orientation Seminar is included in the franchise fee you paid to KOA (See Item 5). Travel expenses, hotel accommodations and planned meals for 2 people are also included. As of our most recent fiscal year end, we provided the following Orientation Seminar training:

Subject	Time Begun	Instructional Manual	Hours of Classroom Training (Note 1b)	Hours of On-the-Job Training (Note 1b)
Operations & Administration	Day 1, 2 & 3	Manual	6 hours	0
Technical Services	Day 1, 2 & 3	Manual	4¾ hours	0
Marketing & Advertising	Day 1 & 3	Manual	4½ hours	0
Guest Services & Standards	Day 1 & 3	Manual	2½ hours	0
Merchandising	Day 1	Manual	2 hours	0
Campground Procedures and Operations	30 to 60 days after taking possession	0	0	16-24 hours consultant visit site call

Notes:

- 1b) Our instructors have 4 to 19 years of experience with us. Each of them has at least 5 years of experience in their field.

(3) KOA-U Management School

The KOA-U Management School provides instruction in the operation and management of your KOA campground and must be completed to our satisfaction. You are required to attend the Management School during the first year of your 5 year franchise term. The Management School is held once a year for 3 days. In 1995, it was held at the Broadmoor Hotel in Colorado Springs, Colorado. You must pay for your own travel and living expenses in addition to a training fee. The training fee for the 1994 Management School was \$149 per person. As of our most recent fiscal year end, we provided the following Management School training:

Subject	Time Begun	Instructional Manual	Hours of Classroom Training (Note 1c)	Hours of On-the-Job Training (Note 1c)
Customer Service	Day 1, Day 2 & Day 3	Handouts	5 hours	0
Image III, International Tourism, Planning & Financing, Kamping Kabins, Electrical	Day 2 & Day 3	Handouts	4 ½ hours	0
Employee Issues, Employment Law Issues & Estate Planning	Day 2	Handouts	4 hours	0
World Wide Web, Software & Marketing	Day 3	Handouts	5½ hours	0
Local Police, Government & Environmental Issues	Day 4	Handouts	5 hours	0

Notes:

- 1c) There were 22 instructors at the most recent Management School and 6 were our employees. The 6 employee-instructors have 5 to 23 years experience with us. The other 17 instructors were franchisees or our suppliers' employees, authors or consultants. Each of them have at least 2 to 20 years experience in their field.

Item 12

TERRITORY

You will receive an exclusive territory ("franchise territory"). We will not operate a recreational campground in your territory under the KOA name or under any other name and we will not grant anyone else a franchise to do so. The boundaries of your territory will be described in the Franchise Agreement. Your franchise territory will be outlined on a "map scrap" that will be attached to your Franchise Agreement when you sign the agreement and will become part of that agreement. You will be able to operate one recreational campground within the franchise territory. KOA considers several factors in determining the size, shape and boundaries of exclusive territories that it grants. There is no standardized format in creating a franchise territory. If you convert a campground to a KOA campground or build a new KOA campground, your territory will normally be a circular area with a 6 mile radius with the campground in the center. The shape of the territory may vary depending on location, geographical area and proximity to other KOA campgrounds. If you buy an existing KOA campground, you will normally receive the same territory as the prior campground owner. The territory of an existing KOA may be larger or smaller than a 6 mile radius. The minimum territory that we grant will be an area that is within a 1 mile radius of the campground.

You must receive our permission to relocate your campground or to establish another campground within your territory. We have no criteria regarding the relocation, but would not unreasonably withhold our consent. If you want to establish another campground in your territory,

you must submit an application and pay the applicable initial franchise fee and sign a new Franchise Agreement for that campground (See Items 5 and 7).

KOA reserves the right to sell products with its trademarks through other channels of distribution in your franchise territory. KOA also has the right to operate or franchise recreational campgrounds outside your franchise territory as we deem appropriate. You do not receive the right to acquire additional franchises within your franchise territory.

There is no minimum sales quota, market penetration or other contingency to maintain your franchise territory. Your franchise territory will not be unilaterally reduced by KOA during the term of the Franchise Agreement.

Item 13

TRADEMARKS

KOA grants you the right to operate a campground under the name of KOA. You may also use our other current or future trademarks ("Marks") used to identify your campground. By trademark, we mean trade names, trademarks, service marks, and logos used to identify your campground. Our primary trademarks are "KOA", "KOA" with the logo and "Kampgrounds of America." We registered "KOA", "KOA" with the logo and "Kampgrounds of America" on the Principal Register of the United States Patent and Trademark Office. "KOA" was registered on January 28, 1975 under registration number 1003508 and renewed January 28, 1995, "KOA" with the logo was registered on December 8, 1964 under registration number 781522 and renewed December 8, 1984, and "Kampgrounds of America" was registered on January 19, 1993 under registration number 1747365. All affidavits required to preserve these registrations have been filed.

You must follow our rules when you use these Marks. You cannot use the Marks as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use the Marks in connection with the sale of any products or services or in any manner not authorized in writing by us.

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation, involving the Marks. There are no agreements currently in effect that significantly limit our right to use or license the use of the Marks.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any claim by any person of any rights in any Mark, and may not communicate with any person other than us, our attorneys and your attorneys in connection with any such infringement, challenge or claim. We will take the action we think is appropriate. We are not obligated, by the Franchise Agreement or otherwise, to protect your right to use any Marks. However, we will protect you against claims of infringement or unfair competition that might be made against you from your use of our Marks as long as you are properly using them. We will have the right in this situation to take any action we think is appropriate to handle the claim.

We reserve the right to adopt new Marks at any time, or to change our Marks. If we adopt new Marks, or change our existing Marks, you must use the new or modified Marks, and discontinue the use of any Marks we decide to change or discontinue.

We do not know of either superior prior rights or infringing uses that could materially affect your use of our Marks.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents are material to the franchise.

KOA claims copyright protection of our Operations Manual and related materials although these materials have not been registered with the Copyright Office of the Library of Congress. The Operations Manual and related materials are considered proprietary and confidential and are considered our property and may be used by you only as provided in the Franchise Agreement. KOA also claims copyright protection based on copyright registration of earlier versions of the Operations Manual. You may not use our confidential information in any unauthorized manner and you must take reasonable steps to prevent its disclosure to others.

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. There are no agreements in effect that significantly limit our right to use or license the copyrighted materials. Finally, there are no infringing uses actually known to us that could materially affect your use of the copyrighted materials. We are not required by any agreement to protect or defend copyrights or confidential information, although we intend to do so when this action is in the best interest of our system.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You (or your managing shareholder or partner) are not obligated to participate personally in the direct operation of your campground, although we recommend that you do so. If you (or your managing partner or shareholder) do not participate in your campground's day-to-day operations, the campground must at all times be under the direct, on-premises supervision of a manager. This manager must successfully complete our training program but the manager is not obligated to own an equity interest in the franchise business. We do not impose any restrictions that you must place on your manager. The identity of the manager must be disclosed to us.

If you are a corporation, each shareholder must personally guarantee your obligations under the Franchise Agreement. A copy of this "Guaranty" is attached to the Franchise Agreement. (Exhibit 3)

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

KOA requires you to offer certain minimum services to your campers. These minimum services are a campground with clean and quiet premises, safe drinking water, washbasins, hot showers, flush toilets only, picnic tables, adequate lighting system, water supply, sanitary disposal station, weed and insect control, an adequate public phone listed under "KOA", a KOA system map, a mail and message service, a bulletin board, information on local activities and attractions, and a children's playground. You must also provide a fully stocked convenience store. That store must stock all items listed in the KOA Kampground Merchandising Manual. You must also provide a game room, vending machines, a coin laundry, and Camping Kabins (See Items 8 and 9).

You must participate in KOA's reservation system which includes having an 800 number and no other reservation system without KOA's consent. You must also participate in the KOA Value Kard program.

You are not restricted in offering other goods and services at your campground, if they do not damage or injure the goodwill of the KOA System.

KOA has the right to add additional authorized services or change the goods or services that you are required to offer. There are no limits on KOA's right to do so.

We place no restrictions upon your ability to serve customers provided you do so from your campground.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this offering circular.

Provision	Section in Franchise Agreement (Note 1)	Summary
(a) Term of the Franchise	Q-1 -- Section 6 Q -- Section 6	5 years
(b) Renewal or extension of the term	Q-1 -- Section 7 Q -- Section 7	If you are in good standing, you can sign the then current form of Franchise Agreement.
(c) Requirements for you to renew or extend	Q-1 -- Section 7 Q -- Section 7	Sign new agreement. There is no fee.
(d) Termination by you	None	-----
(e) Termination by us without cause	None	-----

Provision	Section in Franchise Agreement (Note 1)	Summary
(f) Termination by us with cause	Q-1 -- Section 8 Q -- Section 8	We can terminate only if you commit any one of several listed violations.
(g) "Cause" defined defaults which can be cured	Q-1 -- Section 8 Q -- Section 8	You have 30 days to cure; non-payment of fees, unauthorized alterations to buildings, failure to comply with campground standards and any other default listed in Section 8.
(h) "Cause" defined defaults which cannot be cured	None	-----
(i) Your obligations on termination/non-renewal	Q-1 -- Section 9 Q -- Section 9	De-identification, pay outstanding amounts, return of confidential information and transfer of telephone numbers.
(j) Assignment of contract by us	None	No restriction on our right to assign
(k) "Transfer" by you-- definition	Q-1 -- Section 12 Q -- Section 12	Includes transfer of Franchise Agreement or lease or transfer of ownership of the campground or the company that owns the campground business.
(l) Our approval of transfer by you	Q-1 -- Section 12 Q -- Section 12	We have the right to approve all transfers but will not unreasonably withhold approval.
(m) Conditions for our approval of transfer	Q-1 -- Section 12 Q -- Section 12	New franchisee qualifies, all amounts due are paid in full, transfer fee paid, training arranged, release signed by you, and current agreement signed by new franchisee.
(n) Our right of first refusal to acquire your business	Q-1 -- Section 11 Q -- Section 11	We can match any offer for your business.

Provision	Section in Franchise Agreement (Note 1)	Summary
(o) Our option to purchase your business	None	-----
(p) Your death or disability	Q-1 -- Section 12 Q -- Section 12	Transfer must be approved by us/ \$5,000 franchisee fee required except on a transfer to a family member.
(q) Non-competition covenants during the term of the franchise	Q-1 -- Section 3(t) Q -- Section 3(s)	No involvement in competing business anywhere in the U.S.
(r) Non-competition covenants after the franchise is terminated or expires	Q-1 -- Section 14 Q -- Section 14	If you sell your campground, you will not compete in the campground business for 1 year within 50 miles of the former franchise territory.
(s) Modification of the agreement	Q-1 -- Section 3(k) Q -- Section 3(j)	No modifications generally without consent by you and us, but Operating Manual, rules, and regulations subject to change.
(t) Integration/merger clause	Q-1 -- Section 24 Q -- Section 24	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable.
(u) Dispute resolution by arbitration or mediation	Q-1 -- Section 13 Q -- Section 13	Except for certain claims, all disputes must be arbitrated in Billings, Montana (subject to state law).
(v) Choice of forum	Q-1 -- Section 19 Q -- Section 19	Litigation must be in Montana (subject to state law).
(w) Choice of law	Q-1 -- Section 19 Q -- Section 19	Montana law generally applies (subject to state law).

Note:

- 1) We have 2 forms of Franchise Agreements. The form Q-1 Franchise Agreement is used when you develop and construct a new campground. The form Q Franchise Agreement is used when you convert a non KOA campground to a KOA campground or if you buy an existing KOA campground.

These states have statutes which may supersede the franchise agreement in your relationship with us including the areas of termination and renewal of your franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000 200043 (and whose law also requires venue of any arbitration or litigation of agreement governed by the California law to be in the state of California)], CONNECTICUT [Gen. Stat. Section 482E-1], DELAWARE [Code, tit.], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [Rev. Stat. Chapter 815 ILCS 705/19 and 705/20] (and as to venue and governing law, Section 705/4), INDIANA [Stat. Section 2322.7] (which also supersedes the provision regarding venue, governing law, transfers, releases, and noncompetition covenants), IOWA [Code Sections 523H.1-523H.17], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87401], NEW JERSEY [Stat. Section 56;10-1], SOUTH DAKOTA [Codified Law Section 375A51], VIRGINIA [Code 12.1557-574-13.1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03]. In addition, the provision for termination upon bankruptcy may not be enforceable under current federal bankruptcy law (11 U.S.C. Section 101, *et seq.*). With respect to franchises located in Minnesota, the Franchisor will comply with Minn. Stat. Sec. 80C.14, subs. 3,4 and 5 which require, except in certain specified cases, that a Franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement. To the extent any of the provisions regarding notice of termination or change in this Agreement are in conflict with Section 135.04 of the Wisconsin Fair Dealership Law the Wisconsin law shall apply. The Rhode Island Franchise Investment Act, Section 19-28.1-14 provides that provisions in a franchise agreement restricting jurisdiction or venue to a forum outside the state of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act. These and other states may have court decisions which may supersede the franchise agreement in your relationship with us including the areas of termination and renewal of your franchise.

Item 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise.

Item 19

EARNINGS CLAIMS

KOA has compiled financial information submitted by its franchisees to show the average operating profit of four categories of campgrounds. The categories are based on the number of camper nights a campground reported to us. A camper night is defined as one camping unit on one site for one night.

As of December 31, 1994, there were 501 franchised KOA campgrounds in the United States. Schedule A is a compilation of financial information submitted to us by 308 franchised campgrounds (which is 61 % of total campgrounds). The per camper night revenue, expense and profit (before taxes and land costs) on Schedule A are averages of the reporting franchised campgrounds and should not be construed to be the actual or potential results of any existing or future campground. Information from the other 193 franchised campgrounds was not used because it was not available or it was not submitted in a usable format. Also, the financial information of company owned campgrounds was not used.

Operating results of a campground will vary from the averages due to a number of factors. Some of the most significant reasons are:

- 1) The length of season of the campground (whether the campground is open all year or only in the warmer months).
- 2) The geographic locality of the campground (whether the campground is in a major city or rural area or on the way to a major tourist attraction). Also to be considered is if the campground is in the northern or southern part of the country.
- 3) The amenities of the campground.
- 4) The experience of management of the campground.

SCHEDULE A REFLECTS ONLY THE AVERAGE REVENUE PER CAMPER NIGHT AND AVERAGE EXPENSES PER CAMPER NIGHT OF THE CAMPGROUNDS THAT SUBMITTED USABLE INFORMATION TO US AND SHOULD NOT BE CONSIDERED AS THE ACTUAL OR POTENTIAL SALES, PROFITS OR EARNINGS THAT MAY BE REALIZED BY YOU. KOA DOES NOT REPRESENT THAT YOU CAN EXPECT TO ATTAIN ANY LEVEL OF SALES, PROFITS OR EARNINGS.

YOUR INDIVIDUAL CAMPGROUND FINANCIAL RESULTS ARE LIKELY TO DIFFER FROM THE RESULTS SHOWN ON THIS SCHEDULE A. If you submit a written request to KOA, substantiation of the data used in preparing Schedule A will be made available to you.

Schedule A

THESE PER CAMPER NIGHT AVERAGES OF REVENUES, EXPENSES AND OPERATING PROFITS ARE AVERAGES OF 308 SPECIFIC FRANCHISES AND SHOULD NOT BE CONSIDERED AS ACTUAL OR POTENTIAL RESULTS.

KAMPGROUNDS OF AMERICA, INC. 1994 PER CAMPER NIGHT AVERAGES

Number of KOA Franchised Campgrounds(Note 1)	<u>70</u>	<u>120</u>	<u>95</u>	<u>23</u>
		5,000 TO	10,000 TO	
Camper Night Range	<u>UP TO 4,999</u>	<u>9,999</u>	<u>24,999</u>	<u>25,000 & UP</u>
REVENUE				
Registrations	\$17.54	16.43	15.82	15.64
Merchandise Sales	5.38	5.05	4.17	3.79
Other	<u>2.74</u>	<u>1.94</u>	<u>2.21</u>	<u>2.54</u>
TOTAL REVENUE	<u>25.66</u>	<u>23.42</u>	<u>22.20</u>	<u>21.97</u>
Cost of Merchandise Sales	<u>3.99</u>	<u>3.72</u>	<u>2.74</u>	<u>2.56</u>
GROSS PROFIT	<u>21.67</u>	<u>19.70</u>	<u>19.46</u>	<u>19.41</u>
OPERATING EXPENSES				
Wages & Benefits(Note 2)	3.20	3.03	4.02	5.42
Utilities	3.05	2.48	2.50	2.34
Repairs	1.73	1.63	1.29	1.21
Insurance	1.64	1.02	0.76	0.71
Royalties	1.40	1.31	1.27	1.25
Advertising	1.24	0.92	0.78	0.69
Property & Other Taxes(Note 4)	1.09	0.77	0.73	0.78
Supplies	0.75	0.59	0.54	0.53
Auto	0.60	0.35	0.23	0.22
Other	<u>1.24</u>	<u>1.38</u>	<u>1.18</u>	<u>1.55</u>
Total Operating Expenses	<u>15.94</u>	<u>13.48</u>	<u>13.30</u>	<u>14.70</u>
OPERATING PROFIT(Note 3)				
BEFORE INCOME TAXES & LAND COSTS	<u>\$5.73</u>	<u>6.22</u>	<u>6.16</u>	<u>4.71</u>
(Per camper night)				

Notes:

- 1) Group averages were calculated by dividing the total of all revenue, cost and expense lines by the number in each group that reported that line. Average camper nights were calculated by dividing the group total camper nights by the number of campgrounds in that group. Line results per average camper night were calculated by dividing average revenue, costs and expenses by the average camper night figure for the group.
- 2) Wages and benefits include reported labor and benefit costs of both hired employees and campground owners. It was not possible to separate owners' salaries and employees' salaries. However, of the 308 specific franchises used for this schedule approximately 60% reported employee wage expense but reported nothing for owner salaries. Also, 13% of the 308 specific franchises reported no expense for both employee wages and owner wages.
- 3) Interest expense, depreciation and lease payments (rents) for the campground property (if any) are not included in operating expenses and, therefore, are not deducted from operating profits.
- 4) Property and other taxes is property taxes and all other taxes with the exception of payroll and income taxes.

Item 20

LIST OF OUTLETS

FRANCHISED CAMPGROUND STATUS SUMMARY OR 1993/1994/1995 (Note 1)

State	Transfers	Canceled or Terminated	Not Renewed	Reacquired by Franchisor	Left the System Other	Total from Left Columns (Note 2)	Franchises Operating at Year End
Alabama	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	5/5/4
Alaska	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
Arizona	0/3/0	0/0/0	0/1/0	0/0/0	0/0/1	0/4/1	16/15/14
Arkansas	2/0/1	0/0/0	0/1/0	0/0/0	0/0/0	2/1/1	10/9/9
California	3/3/1	0/0/1	2/1/1	0/0/0	0/0/0	5/4/3	33/32/30
Colorado	2/4/0	0/0/0	1/0/1	0/0/0	0/0/0	3/4/1	29/30/29
Florida	2/1/1	0/1/1	0/0/0	0/0/0	1/0/0	3/2/2	24/23/22
Georgia	1/0/1	1/0/0	0/0/0	0/0/0	0/0/0	2/0/1	9/9/9
Idaho	0/1/0	0/0/0	0/1/0	0/0/0	0/0/0	0/2/0	10/10/10
Illinois	0/2/1	0/0/1	0/0/0	0/0/0	0/0/0	0/2/2	11/11/10
Indiana	0/0/1	0/0/0	2/0/0	0/0/0	0/0/0	2/0/1	7/7/7
Iowa	0/0/0	0/0/1	0/0/0	0/0/0	0/1/0	0/1/1	5/4/3
Kansas	0/1/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/0	9/9/9
Kentucky	0/1/2	0/0/0	0/0/0	0/0/0	0/0/0	0/1/2	13/13/13
Louisiana	1/1/2	0/0/0	0/0/0	0/0/0	0/0/0	1/1/2	8/8/8
Maine	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	3/3/3
Maryland	0/0/0	1/0/0	0/0/0	0/0/0	0/0/0	1/0/0	2/2/2
Massachusetts	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	5/5/5
Michigan	0/1/0	0/0/0	1/0/2	0/0/0	0/0/0	1/1/2	14/14/13
Minnesota	1/2/0	1/0/0	1/1/0	0/0/0	0/0/0	3/3/0	12/11/11
Mississippi	0/0/0	0/0/0	1/0/0	0/0/0	0/0/0	1/0/0	5/5/5
Missouri	1/1/1	0/0/0	1/1/0	0/0/0	0/1/0	2/3/1	16/15/16
Montana	2/2/0	0/0/0	0/0/0	0/0/0	1/0/0	3/2/0	20/21/21

State	Transfers	Canceled or Terminated	Not Renewed	Reacquired by Franchisor	Left the System Other	Total from Left Columns (Note 2)	Franchises Operating at Year End
Nebraska	1/1/1	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1	6/6/7
Nevada	1/0/0	1/0/0	0/0/1	0/0/0	0/0/0	2/0/1	3/3/2
New Hampshire	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	3/3/3
New Jersey	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
New Mexico	1/1/1	0/0/0	3/1/0	0/0/0	0/0/0	4/2/1	14/13/13
New York	1/0/1	0/0/0	0/0/0	0/0/0	0/0/0	1/0/1	20/20/20
North Carolina	0/1/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/0	10/10/10
North Dakota	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	4/4/4
Ohio	1/0/1	1/0/0	0/0/0	0/0/0	0/0/0	2/0/1	10/10/10
Oklahoma	0/1/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/0	8/8/8
Oregon	0/0/0	0/0/0	1/3/0	0/0/0	0/0/1	1/3/1	16/13/13
Pennsylvania	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	14/15/15
South Carolina	0/0/0	1/0/0	0/0/0	0/0/0	0/0/0	1/0/0	6/6/6
South Dakota	3/2/2	0/0/0	0/0/0	0/0/0	0/0/0	3/2/2	14/14/14
Tennessee	2/2/0	1/0/0	0/1/0	0/0/0	0/0/0	3/3/0	20/19/19
Texas	2/2/1	1/0/0	0/0/0	0/0/0	0/0/0	3/2/1	20/20/21
Utah	2/1/2	0/0/0	0/1/0	0/0/0	0/0/0	2/2/2	16/15/15
Vermont	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
Virginia	0/0/0	1/0/0	1/0/0	0/0/0	1/0/0	3/0/0	12/12/12
Washington	0/1/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/0	12/12/13
West Virginia	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
Wisconsin	0/1/1	0/0/0	0/0/0	0/0/0	0/0/0	0/1/1	7/7/7
Wyoming	0/0/1	0/0/1	1/0/0	0/0/0	0/0/0	1/0/2	13/14/14
TOTALS	29/36/22	9/1/5	15/12/5	0/0/0	3/2/2	56/51/34	498/489/483

Notes:

- 1) All numbers are as of December 31 for each year.

- 2) The numbers in the "Total" column may exceed the number of campgrounds affected because several events may have affected the same campground. For example, the same campground may have had multiple owners.

STATUS OF COMPANY OWNED CAMPGROUNDS FOR 1993/1994/1995

State	Campgrounds Closed During Year	Campgrounds Open During Year	Total Campgrounds Operating At Year End
California	0/0/0	0/0/0	2/2/2
Florida	0/0/0	0/0/0	7/7/7
Nevada	0/0/0	0/0/0	1/1/1
New Mexico	0/0/0	0/0/0	1/1/1
TOTALS	0/0/0	0/0/0	11/11/11

PROJECTED OPENINGS AS OF DECEMBER 31, 1995 (Note 1)

State	Franchise Agreements Signed But Campgrounds Not Open	Projected Franchised New Campgrounds in the Next Fiscal Year	Projected Company Owned Openings in Next Fiscal Year
California	1	1	0
Colorado	1	0	0
Idaho	0	0	0
Illinois	0	0	0
Indiana	1	0	0
Louisiana	1	0	0
Michigan	1	0	0
Missouri	1	0	0
Montana	0	1	0
Nevada	1	1	1
New Mexico	0	0	1
New York	2	0	0
Oregon	2	0	1
South Carolina	1	0	0

State	Franchise Agreements Signed But Campgrounds Not Open	Projected Franchised New Campgrounds in the Next Fiscal Year	Projected Company Owned Openings in Next Fiscal Year
Washington	2	0	0
West Virginia	0	1	1
Wyoming	0	0	1
TOTALS	14	4	5

Notes:

- 1) This schedule shows the number of franchises sold and projected to be sold for new campgrounds to be built and campgrounds to be converted to the KOA system. It does not list projected sales of franchise agreements that result from the sale of an existing KOA campground.

Attached as Exhibit 5 are the names and last known home address and telephone number of every franchisee who had their franchise with us terminated, canceled, not renewed, or who otherwise voluntarily or involuntarily stopped doing business under the Franchise Agreement during our fiscal year ended December 31, 1995, or who has not communicated with us for at least 10 weeks prior to our application date.

Attached as Exhibit 7 are the names, addresses, and telephone numbers of all of our franchisees as of December 31, 1995.

Item 21

FINANCIAL STATEMENTS

Attached to this offering circular as Exhibit 6 are our audited financial statements for our fiscal years ended December 31, 1995, 1994, and 1993.

Item 22

CONTRACTS

The following agreements are attached as Exhibit 3 to this offering circular:

- 1) Series Q -- Franchise Agreement
- 2) Series Q-1 -- Franchise Agreement
- 3) Addenda to Franchise Agreement (For conversion campgrounds and new campgrounds that are being built)
- 4) Option (used if acquiring a campground through KOA Licensing Department)
- 5) Guarantee of Agreement (For use when franchisee is a corporation)

Item 23

RECEIPT

THIS OFFERING CIRCULAR SUMMARIZES PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS OFFERING CIRCULAR AND ALL AGREEMENTS CAREFULLY.

IF WE OFFER YOU A FRANCHISE, WE MUST PROVIDE THIS OFFERING CIRCULAR TO YOU BY THE EARLIEST OF:

- A. THE FIRST PERSONAL MEETING TO DISCUSS OUR FRANCHISE; OR
- B. TEN BUSINESS DAYS BEFORE SIGNING OF A BINDING AGREEMENT; OR
- C. TEN BUSINESS DAYS BEFORE ANY PAYMENT TO US.

YOU MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST FIVE BUSINESS DAYS BEFORE YOU SIGN ANY FRANCHISE AGREEMENT.

IF WE DO NOT DELIVER THIS OFFERING CIRCULAR ON TIME OR IF IT CONTAINS A FALSE OR MISLEADING STATEMENT, OR A MATERIAL OMISSION, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND THE APPROPRIATE STATE AGENCY IDENTIFIED ON EXHIBIT 1.

We authorize the respective state agencies identified on Exhibit 1 to receive service of process for KOA in the particular state.

I have received a Uniform Franchise Offering Circular dated March 27, 1996. The offering circular included the following Exhibits:

- 1. List of State Agencies/Agents for Service of Process
- 2. Franchise Application
- 3. Franchise Agreements and other Agreements
- 4. Table of Contents for Operations Manuals
- 5. Franchisees Who Have Left the System
- 6. Financial Statements
- 7. List of Franchised Outlets

_____ Date	_____ Name (Please Print)	_____ Franchise #
	_____ Signature	
_____ Date	_____ Name (Please Print)	
	_____ Signature	

FTC
CA,IN,MD,MI,ND,NY,OR,RI,WI

Effective Date: March 27, 1996

Item 23

RECEIPT

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- 6. Financial Statements
- 7. List of Franchised Outlets

_____	_____	_____
Date	Name (Please Print)	Franchise #

	Signature	
_____	_____	
Date	Name (Please Print)	

	Signature	

EXHIBIT 1

List of State Agencies/Agents for Service of Process

EXHIBIT 1
LIST OF STATE AGENCIES AGENTS
FOR SERVICE OF PROCESS

CALIFORNIA

California Commissioner of Corporations
1107 9th Street, Suite 800
Sacramento, CA 95814

HAWAII

Director of Department of Commerce
and Consumer Affairs
Business Registration Division
1010 Richards Street
Honolulu, HI 96813

ILLINOIS

Attorney General State of Illinois
500 South Second Street
Springfield, IL 62706

INDIANA

Secretary of State
302 West Washington, Room E-111
Indianapolis, IN 46204

MARYLAND

State Authority:
Office of Attorney General
Securities Division
200 St. Paul Place, 20th Floor
Baltimore, MD 21202-2020

Registered Agent:
Maryland Securities Commissioner
200 St. Paul Place, 20th Floor
Baltimore, MD 21202-2020

MICHIGAN

Michigan Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
Lansing, MI 48913

MINNESOTA

Commissioner of Securities
Commissioner of Commerce
133 East 7th Street
St. Paul, MN 55101

NEW YORK

Secretary of State
of the State of New York
162 Washington Avenue
Albany, NY 12231

NEW YORK (conti.)

New York State Department of Law
Bureau of Investor Protection & Services
120 Broadway, 23rd Floor
New York, NY 10271

NORTH DAKOTA

North Dakota Commissioner of Securities
301 State Capitol
600 East Boulevard
Bismarck, ND 58501

OREGON

Oregon Corporation Division
Commerce Building
Salem, OR 97310

RHODE ISLAND

Rhode Island Dept. of Business Regulation
Securities Section
233 Richmond Street, Suite 232
Providence, RI 02903

SOUTH DAKOTA

Director of Division of Securities
Dept. of Commerce and Consumer Affairs
State Capitol
118 West Capitol Street
Pierre, SD 57501

VIRGINIA

Service of Process:
Clerk of the State Corporation Commission
Division of Securities & Retail Franchising
1300 East Main Street
Richmond, VA 23209

State Agency:
Division of Securities & Retail Franchising
1300 East Main Street
Richmond, VA 23209

WASHINGTON

Dir. of the Dept. of Financial Institutions
P.O. Box 9033
Olympia, WA 98507

WISCONSIN

Commissioner of Securities
Franchise Investment Division
101 East Wilson Street, 4th Floor
Madison, WI 53702

EXHIBIT 2

Franchise Application



Kampgrounds of America, Inc.

Franchise Application for _____

Please do not leave any questions unanswered. Mark clearly any questions that are not applicable to you.

Name: _____
LAST FIRST MIDDLE

Spouse: _____
LAST FIRST MIDDLE

Residence Address: _____
STREET ADDRESS AND/OR P. O. BOX NUMBER

CITY STATE/PROVINCE ZIP/POSTAL CODE

Do you: Own _____ Rent _____ How long at this address? _____

Previous Addresses (Last 5 years):

Previous Address: _____
STREET ADDRESS AND/OR P. O. BOX NUMBER

CITY STATE/PROVINCE ZIP/POSTAL CODE

Previous Address: _____
STREET ADDRESS AND/OR P. O. BOX NUMBER

CITY STATE/PROVINCE ZIP/POSTAL CODE

Use additional sheets if necessary.

Residence Phone (_____) _____ Business Phone (_____) _____

Social Security No: (Self) _____ (Spouse) _____

Birth Date: (Self) _____ (Spouse) _____

Do you have any physical or mental impairment, disability or health problems which could affect your ability to carry out your responsibilities on a campground? Yes _____ No _____ If yes, explain _____

Citizen of U.S.? _____ If not, give country and immigration status: _____

Spouse a citizen of U.S.? _____ If not, give country and immigration status: _____

EMPLOYMENT

Employment History Past 10 Years (begin with most current).

Company Name _____ From _____ To _____

Address _____

Position _____ Type of firm _____

Starting Salary _____ (Mo _____ Yr _____) Ending Salary _____ (Mo _____ Yr _____)

Describe duties, responsibilities, number of persons supervised. _____

May we contact your present employer? Yes _____ No _____ Phone (_____) _____

Company Name _____ From _____ To _____

Address _____

Position _____ Type of firm _____

Starting Salary _____ (Mo _____ Yr _____) Ending Salary _____ (Mo _____ Yr _____)

Describe duties, responsibilities, number of persons supervised. _____

Company Name _____ From _____ To _____

Address _____

Position _____ Type of firm _____

Starting Salary _____ (Mo _____ Yr _____) Ending Salary _____ (Mo _____ Yr _____)

Describe duties, responsibilities, number of persons supervised. _____

EDUCATION

Circle last year of school completed: High school: 9 10 11 12 College: 1 2 3 4 Graduate: 1 2 3 4

Name of colleges and locations: _____

Degrees and special training: _____

Hobbies/Interests: _____

Personal References: _____
(List two) NAME(S) ADDRESS PHONE

Business References: _____
(List two) NAME(S) ADDRESS PHONE

SPOUSES EMPLOYMENT

Employment History Past 10 Years (begin with most current).

Company Name _____ From _____ To _____

Address _____

Position _____ Type of firm _____

Starting Salary _____ (Mo _____ Yr _____) Ending Salary _____ (Mo _____ Yr _____)

Describe duties, responsibilities, number of persons supervised. _____

May we contact your present employer? Yes _____ No _____ Phone (_____) _____

Company Name _____ From _____ To _____

Address _____

Position _____ Type of firm _____

Starting Salary _____ (Mo _____ Yr _____) Ending Salary _____ (Mo _____ Yr _____)

Describe duties, responsibilities, number of persons supervised. _____

Company Name _____ From _____ To _____

Address _____

Position _____ Type of firm _____

Starting Salary _____ (Mo _____ Yr _____) Ending Salary _____ (Mo _____ Yr _____)

Describe duties, responsibilities, number of persons supervised. _____

EDUCATION

Circle last year of school completed: High school: 9 10 11 12 College: 1 2 3 4 Graduate: 1 2 3 4

Name of colleges and locations: _____

Degrees and special training: _____

Hobbies/Interests: _____

Personal References: _____

(List 2)

NAME(S)

ADDRESS

PHONE

Business References: _____

(List 2)

NAME(S)

ADDRESS

PHONE

Will you operate the campground full-time? Yes ____ No ____

If no, please have the Employment/Education section also completed by the proposed operator/s.

Will the campground be your only source of revenue? Yes ____ No ____

If no, please list other sources on page 8 under "Other Sources of Income".

How long will the other source of income continue? _____

If a business activity, how much attention and time will be required away from the campground business?

What are your short and long term reasons for purchasing a KOA campground?

Short term: (0-7 years) _____

Long term: (7-15 years) _____

How long do you plan to own this campground? _____ years

Do you plan to pass this campground on (sell) to your children or other relatives? Yes ____ No ____

Explain: _____

Do you foresee selling this property as an operating campground ____ or for an alternate use ____?

Explain: _____

(IF YOU ARE PLANNING TO BUILD A CAMPGROUND, YOU DO NOT NEED TO COMPLETE THIS PAGE).

After the campground mortgage payment, how much revenue do you expect to receive in the form of salaries and net profit each year for the first five years?

	Salary	Net Profit	Total
Year 1	_____	_____	_____
2	_____	_____	_____
3	_____	_____	_____
4	_____	_____	_____
5	_____	_____	_____

Briefly explain the rational behind the changes from year to year. _____

Of the amounts above, how much do you plan to reinvest in your campground in the form of major repairs & maintenance and capital expenditures?

	\$ Amount	Projects
Year 1	_____	_____
2	_____	_____
3	_____	_____
4	_____	_____
5	_____	_____

Explain: _____

Based on your answers to the above questions, how much additional income will you need to support your lifestyle?

	\$ Amount	Projects
Year 1	_____	_____
2	_____	_____
3	_____	_____
4	_____	_____
5	_____	_____

Explain: _____

How did you become interested in owning a KOA campground?

What skills do you and your partner/s have that will be beneficial to your KOA operation?

Many aspects of franchise ownership are based on developing uniformity and implementing system wide programs. Please site circumstances from past occupations that demonstrate positive attributes for becoming part of a franchise system.

Are you and your spouse comfortable working with the public? Yes _____ No _____

Explain: _____

What positive and negative experiences have you had in dealing with the public? (If not in the capacity as a manager, answer from your standpoint as a customer.)

What other family members will be at the campground with you? (Names and ages of your children; names and relationships of other family members.)

Have you ever previously been involved in a franchise operation? Yes _____ No _____

If yes, which one and for how long? _____

KOA grants franchises only to individuals or groups of individuals where all individuals execute and are bound by the Franchise Agreement. The Franchise Agreement requires prior approval of any change of ownership interest and requires disclosure of the following information:

1. Will this business be a sole proprietorship, partnership or corporation? _____

Name	*Capital Interest	**% of Total
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____

If a corporation, a Personal Guarantee will be required to be signed by the majority stock holder.

Attach to this Application the proper documentation showing the existence of the corporation along with verification of the ownership percentage of the stock.

2. If any individual's voting interest in the business or right to share in the profits differs from his/her capital interest, indicate below:

Name	Voting Interest (%)	Right to Share in Profits (%)
_____	_____	_____
_____	_____	_____
_____	_____	_____
	Total 100%	Total 100%

3. KOA requires that all franchisee groups have one individual (the "operator") who, throughout the term of the franchise, is responsible for the day-to-day operation of the campground. The operator must maintain at least 51% capital, voting and profit interest in the business. For this franchise, the operator is:

Name: _____

Capital Interest _____% Voting Interest _____% Right to Share in Profit _____%

Each individual with any interest shall sign and date this form. Each warrants, represents and certifies by his/her signature hereunder that the foregoing statements are true, complete and accurate as of the date hereof and declares that he/she will immediately make notification to Kampgrounds of America, Inc. of any change in the foregoing information. Each understands that the foregoing representations will be relied upon by Kampgrounds of America, Inc. in determining whether to grant a franchise.

_____	_____
DATE	APPLICANT
_____	_____
DATE	APPLICANT

* What will be the initial cash or cash equivalent (value of property) contributed by owner?

**How much ownership in the business will each owner have at the beginning of the business?

PERSONAL FINANCIAL STATEMENT

As of (date) _____ the following is a statement of my total assets and liabilities, current and detailed on ensuing pages. (This information, along with supplementary materials as requested, must be completed on this franchise application. If you wish, you may attach your personal and/or business financial statement along with completed information on these pages.)

ASSETS

Liquid Assets

Current

Cash
U.S. Government Securities
Other Stocks and Bonds
Life Insurance, cash surrender value
TOTAL LIQUID ASSETS\$
Accounts, loans & notes receivable
Real Estate
Automobile/s
Other assets (furnishings, personal, etc.)
TOTAL ASSETS\$

LIABILITIES AND NET WORTH

Current Liabilities (payable in 12 months):

Accounts payable
Interest payable
Notes payable
Taxes payable
TOTAL CURRENT LIABILITIES\$

Non-Current Liabilities:

Notes & loans payable
Loans against life insurance
Mortgages payable on real estate
Installment accounts (auto)
Installment accounts, other
Other liabilities (including contingent liabilities such as leases, contracts,
legal claims, federal income tax, etc.).....

TOTAL LIABILITIES\$

TOTAL ASSETS MINUS TOTAL LIABILITIES = NET WORTH\$

OTHER SOURCES OF INCOME (Annual)

Gross Salary
Bonus & Commissions
Dividends & Interest
Real Estate Income
Other Income (describe sources of income other than those listed above
which will continue if you are accepted as a franchisee).....

TOTAL OTHER SOURCES OF INCOME\$

FINANCIAL STATEMENT (SUPPLEMENTARY SCHEDULES)

Please complete ALL of Supplementary Schedules 1 through 10; attach supportive materials if you wish.
Use additional sheets as necessary for each schedule.

Schedule 1. FINANCIAL RELATIONSHIPS (Banking, Savings, Loans & Others)

Name, location of bank	Acct. #	Type of Account	Name(s) on Account	Current Balance	Outstanding Loans, Guar.	Avg. Balance 12 mo. period

Schedule 2. ACCOUNTS, LOANS & NOTES RECEIVABLE (Amounts owing to me)

Name, address of Debtor	Amount owing	Description of debt	Description of Security held	Note payment per mo./yr.

Schedule 3. GOVERNMENT SECURITIES & OTHER STOCKS & BONDS

Face Value (Bonds) No. Shares (Stocks)	Description of Security	Registered Owner	Present Market Value	Balance of Margin Account

Schedule 4. MISCELLANEOUS ASSETS (Vehicles, furnishings, antiques, jewelry, etc.)

Type of Asset (describe)	Current Market Value	Amount Owing	To Whom (Include account #)	Net Value

Schedule 5. LIFE INSURANCE

Insurance Company	Beneficiary/ Relationship	Type of Policy	Face Amount	Present Cash Surrender Value	Amount of Policy Loan	Annual Premium	Is Policy Assigned?

SCHEDULE 6. NOTES PAYABLE TO BANKS AND OTHERS

Name & Address of holder of note	Amount of Loan		Terms of Repayment	Maturity of Loan	How endorsed, guaranteed or secured
	Original	Current			

Schedule 7. INSTALLMENT ACCOUNTS (not listed above)

Creditor's Name (include city & state)	Account No.	Monthly Payment	Unpaid Balance

Schedule 8. UNPAID TAXES. (Describe in detail, as to type, to whom payable, when due and amount owed)

Schedule 9. OTHER LIABILITIES NOT LISTED ABOVE. (Describe in detail)

Schedule 10. REAL ESTATE OWNED

1.

Description: Number & Street _____

City, State/Province, Zip/Postal Code _____

Legal Owner(s) _____ Parcel No. _____

Mortgage(s) 1. Held by _____ Mo. Payment _____ Taxes & Ins. Per Mo. _____

2. Held by _____ Mo. Payment _____ Taxes & Ins. Per Mo. _____

Liens or Unpaid Taxes: _____ Amount Owed _____

Date Purchased: _____ Balance Owing _____ Market Value _____ Net Value _____

2.

Description: Number & Street _____

City, State/Province, Zip/Postal Code _____

Legal Owner(s) _____ Parcel No. _____

Mortgage(s) 1. Held by _____ Mo. Payment _____ Taxes & Ins. Per Mo. _____

2. Held by _____ Mo. Payment _____ Taxes & Ins. Per Mo. _____

Liens or Unpaid Taxes: _____ Amount Owed _____

Date Purchased: _____ Balance Owing _____ Market Value _____ Net Value _____

3.

Description: Number & Street _____

City, State/Province, Zip/Postal Code _____

Legal Owner(s) _____ Parcel No. _____

Mortgage(s) 1. Held by _____ Mo. Payment _____ Taxes & Ins. Per Mo. _____

2. Held by _____ Mo. Payment _____ Taxes & Ins. Per Mo. _____

Liens or Unpaid Taxes: _____ Amount Owed _____

Date Purchased: _____ Balance Owing _____ Market Value _____ Net Value _____

Use additional sheets if necessary

The submittal of this application does not obligate either the applicant or Kampgrounds of America, Inc. in any manner, nor does it imply that there is any legal relationship between either party. It is only a preliminary procedure toward the procurement of a franchise.

The undersigned hereby authorizes any bank, savings and loan association, credit union, credit bureau, credit reporting agency, investment banker, securities broker, insurance company or other financial institution to release to representatives of Kampgrounds of America, Inc. any and all information concerning my accounts, including deposits, withdrawals or other financial transactions at such institutions.

I hereby declare that the information supplied by me is true and correct to the best of my knowledge.

Applicant/s:

Please print or type your full name. _____

Date: _____ Signature: _____
APPLICANT

Please print or type your full name. _____

Date: _____ Signature: _____
APPLICANT

If you are accepted as a franchisee, we will need a picture of you. We print these pictures along with an article in the KOA Times to introduce new owners to the system.

Please insert your photo (without writing on the back) here.

THANK YOU

Please return to: Kampgrounds of America, Inc., P.O. Box 30558, Billings, MT 59114

©KOA, Inc. Printed in U.S.A. 1993

EXHIBIT 3

Franchise Agreements and Other Agreements

EXHIBIT 3

TABLE OF CONTENTS FOR FRANCHISE AGREEMENTS AND OTHER DOCUMENTS

1	Q Franchise Agreement
2	Addendum to KOA Franchise Agreement Form Q
3	Q1 Franchise Agreement
4	Schedule for New KOA Kampground Construction
5	Guarantee of Agreement
6	Option Agreement
7	Kampground Sale and Purchase Agreement
8	Exhibit A -- Description of Real Property Involved
9	Exhibit B -- Description of Personal Property Involved
10	Exhibit C -- Description of all Licenses, Permits & Authorities to be Transferred
11	Exhibit D -- Description of all Title Defects of Seller to be excepted from Title Warranties with Regard to Real Property
12	Exhibit E -- Description of all Title Defects of Seller to be Excepted from Title Warranties with Regard to Personal Property
13	Assignment of Option
14	Owners Condition Statement
15	Affidavit of Current Condition



KAMPGROUNDS OF AMERICA, INC.

Billings, Montana

FRANCHISE AGREEMENT

Effective Date

Expiration Date

THIS AGREEMENT is by and between KAMPGROUNDS OF AMERICA, INC. ("KOA"), a Montana corporation, with its principal office at 550 North 31st Street (P.O. Box 30558) Billings, Montana 59114, and

("FRANCHISEE") located at

WITNESSETH:

KOA has developed and perfected an international system of franchised recreational vehicle parks and KOA Kampground businesses ("park/campground business") identified by trademarks, service marks, trade names, symbols and other proprietary materials of KOA which provides the general public with clean and comfortable camping accommodations of the highest quality (herein called "KOA system" or "system"). The success of the entire KOA system is dependent upon the continuing good reputation of each park/campground business operated within the system, and upon the continuing goodwill of the public toward the name, Kampgrounds of America, Inc. The success of both parties to this agreement and of all other franchisees is directly affected by the business conduct of all KOA franchisees. Therefore, adherence to the terms of this agreement is a matter of mutual importance and consequence.

Accordingly, the parties hereto mutually covenant and agree as follows:

1. **FRANCHISE AND TERRITORY.** KOA grants to FRANCHISEE, subject to the terms and conditions herein, an exclusive franchise to operate, and own one (1) recreational park/campground business within, and only within, the following territory (hereinafter referred to as the "franchise territory"):

A map of the foregoing franchise territory is attached on page 6 and by reference made a part of this agreement. In the event of any conflicts or inconsistencies between the above description and the attached map, the above description will control.

This Franchise Agreement and all fees paid and provided for herein are for the franchised operation of one (1) park/campground business located at its present location.

In the event that FRANCHISEE shall be granted the right to construct, operate and own an additional park/campground business within the franchise territory, FRANCHISEE agrees to pay such additional franchise and administrative fees and other costs and to assume such obligations as those prevailing between KOA and other franchisees being entered into when the additional franchise is granted. KOA and FRANCHISEE shall enter into and execute a separate Franchise Agreement for each such additional park/campground business within the franchise territory. In such case the franchise territory included in any prior Franchise Agreement will be deemed to be automatically amended so as to exclude all of the franchise territory included in any new Franchise Agreement.

2. MARKS AND NAMES.

(a) FRANCHISEE acknowledges and recognizes the exclusive right of KOA to grant this franchise and to grant similar franchises in other areas and also the exclusive right of KOA to all service marks, trademarks, copyrights, certification marks, designs, slogans, names, symbols and matters (hereinafter collectively called "marks") now or hereafter displayed or used as part of the KOA system and the exclusive right of KOA to use and grant the right to others to use the said marks and the names "Kampgrounds of America, Inc.", "KOA", or any other combination thereof.

(b) FRANCHISEE is granted the right, during the period when this agreement is in force, to use the marks of KOA only as these names and marks pertain to the KOA system. FRANCHISEE shall not use any of the marks licensed under this Franchise Agreement in connection with any other business, operation or entity either within or without the park/campground business or the above described franchise territory. All advertising that is developed or caused to be developed by FRANCHISEE for FRANCHISEE's use which incorporates the use of KOA's marks will be submitted to KOA for its approval prior to any publication or use. FRANCHISEE acknowledges and agrees that the right to use these marks is by this license from KOA and that all use of these marks inures solely to the benefit of KOA and further agrees not to assert any interest in or property rights in any of the marks of KOA which are now or hereafter owned or controlled by KOA.

(c) FRANCHISEE shall not during the term of this agreement or thereafter, directly or indirectly, adopt or use as a trademark, service mark, trade name or corporate name any of the marks of the KOA system or any term or translation meaning the same thing as any of the marks of KOA or any word, symbol or picture or combination thereof which is confusingly similar to any marks of KOA; and it shall not, directly or indirectly, during the term of this agreement or thereafter, register or attempt to register any of the foregoing in any country or territory as a property right of any kind or nature; and it shall not directly or indirectly assist, permit or allow any other person, firm or corporation to do any of the foregoing, including but not limited to FRANCHISEE OR FRANCHISEE's affiliates and subsidiaries or agents or employees of the affiliates and subsidiaries.

(d) FRANCHISEE is under no obligation to purchase any goods and supplies from KOA or KOA approved suppliers for purposes of resale by FRANCHISEE at its campground, provided that any such goods and supplies do not bear the names and marks of KOA. However, all such goods and supplies which bear the names and marks of KOA and which FRANCHISEE intends to use for purposes of resale, distribution or other use must be purchased by FRANCHISEE from KOA or from suppliers licensed by KOA in writing and who meet the specifications and standards of KOA. If FRANCHISEE has a preferred supplier for such goods and supplies, FRANCHISEE may submit a written request to KOA for the licensing of such supplier. The licensing of a supplier by KOA will not be unreasonably withheld. Licensing by KOA, however, is required before any sale or other use will be allowed to take place.

(e) FRANCHISEE shall not, during the term of this agreement or thereafter, directly or indirectly, contest or aid in contesting the exclusive use, ownership and rights of KOA in and to the marks.

(f) FRANCHISEE shall notify KOA of any violation or infringement of the marks that comes to the attention of FRANCHISEE.

3. FRANCHISEE'S REPRESENTATIONS, DUTIES AND OBLIGATIONS. FRANCHISEE agrees:

(a) If this KOA franchised business is sold, transferred or otherwise assigned to a new franchisee, the new franchisee will pay a \$5,000 franchise fee upon the signing of his Franchise Agreement. This \$5,000 will be used to defray KOA's expenses and is not refundable upon the execution of the Franchise Agreement by KOA.

(b) The structures approved initially or constructed thereafter during the term of this Franchise Agreement for placement upon FRANCHISEE's park/campground may not be altered or changed nor any unauthorized or unapproved structure be added to or placed

upon the park/campground without the written consent of a KOA officer.

(c) To pay KOA, on a weekly basis, a royalty of 8% of total registration receipts plus an advertising assessment equal to 2% of total registration receipts. The percentages are payable commencing with the time at which FRANCHISEE's park/campground business opens for business. FRANCHISEE shall complete the KOA prescribed registration form for each customer and place the registration form within the KOA standard registration rack for the period of time that the customer remains within the park/campground. No other form may be used without KOA's written approval. FRANCHISEE shall remit royalties to KOA no later than Monday following the week being reported.

For purposes of this agreement, FRANCHISEE will be deemed to have commenced business at the time any parts of the park/campground sites are offered for rental and "total registration receipts" will mean and include all receipts derived from the renting, use or occupancy of campsites and lodging facilities of every kind and nature at the place of business regardless of the length of stay, i.e. day, week, month or year. Further, total registration receipts will include all charges for utility hookups consisting of water, electricity and sewer, whether metered separately or not, but will exclude reasonable charges for television and telephone connections; and sales, use, excise and similar taxes which may be required by law to be collected.

(d)(i) The 2% advertising assessment shall be paid with the royalty payment on the same prescribed basis. All such monies received by KOA will be deposited in a separate account and will be used solely for advertising, promotion and public relation programs. This includes advertising research and other costs necessary to prepare and produce these programs. KOA agrees to contribute to advertising and promotional programs an annual sum of 12.5% of the total 8% royalties paid from the preceding year. KOA will provide a yearly accounting of the 2% advertising fund of those monies contributed to the fund by franchisees and will consult with a committee consisting of members of the Kampground Owners Association and other franchisees for suggestions on expenditures. The final decision on expenditures will, however, be within the sole discretion of KOA. An advertising media plan will be provided FRANCHISEE on an annual basis.

(ii) If the weekly percentages required to be paid by FRANCHISEE under sub-paragraphs 3(c) and (d) hereof become more than thirty (30) days in arrears, KOA will be entitled to charge a 1% per month interest charge on the delinquent and outstanding balance until such delinquency is paid to a current status. If 1% per month exceeds the state's legal interest rate, then the highest legal rate of interest rate allowed below 1% per month will be charged. This highest legal rate will apply throughout the remainder of the Franchise Agreement where interest is to be charged for delinquent payment and the 1% per month exceeds the state's legal rate of interest.

(e) To pay KOA an annual administrative fee of three hundred dollars (\$300.00). This franchise administrative fee will be due on August 31 of each year of the Franchise Agreement's term, and any extension thereof, for the next or ensuing year and will be paid whether or not the campground is open for business.

(f)(i) To pay promptly when due all charges and amounts covering goods and services furnished FRANCHISEE by or through KOA, including but not limited to merchandise, inventory, goods, fixtures, equipment and like items. If charges become thirty (30) days delinquent a charge of 1% per month will be added to the amount due each month until the delinquency is paid to a current status.

(ii) If FRANCHISEE fails or neglects to report total registration receipts as provided herein, KOA will be entitled to bill FRANCHISEE on the basis of past registration receipts. KOA's sending bills or receiving payments will not prejudice the parties hereto in making adjustments on account of overpayments or underpayments.

(iii) All payments made or to be made by FRANCHISEE and however named or described apply in the aggregate and comprehensively to FRANCHISEE's performance of this agreement. KOA may allocate any payment received from FRANCHISEE to any one or more of the various payments that FRANCHISEE is to make according to KOA's own accounting practices.

(g) To maintain a high moral and ethical standard and environment at FRANCHISEE's place of business; to comply with all local, state and federal laws, ordinances, rules and regulations pertaining thereto; to maintain its business premises and accommodations in a clean, safe and orderly manner and to provide efficient, courteous and high quality services to the public.

(h)(i) To use all means to encourage the use of KOA and the KOA system on an international basis by the traveling public and to use its best efforts toward the promotion of its park/campground business.

(ii) To participate in the KOA reservations system and no other reservation system without KOA's consent. FRANCHISEE shall also provide the necessary communications equipment to participate in the KOA reservations system.

(iii) To operate and to be personally involved in day-to-day operations in the park/campground business and keep the same open during the time fixed by the franchisee and listed in the current KOA Kampground directory, but in any event not less than ninety (90) consecutive days during each year. This ninety (90) day period is subject to KOA approval. If FRANCHISEE does not operate the park/campground business for the minimum period, at KOA's option, the Franchise Agreement may be canceled as provided herein for cancellation.

(i) To participate in the "Kamping Kabin" program, and to adhere to its policies and procedures concerning the use of approved structures, and maintaining the rustic nature of the cabins as may be set out in correspondence, bulletins and notices. Further, FRANCHISEE shall accept such requested changes in the program as KOA may reasonably require. FRANCHISEE agrees that he shall not place any structures of a similar or like type nature on his KOA Kampground either during the term of this agreement or thereafter. If removal of any unauthorized structures becomes necessary, each removal and the expenses incurred thereby will be the responsibility of the FRANCHISEE.

(j) To provide services and facilities to the public as specified in the KOA Kampground Development Guidelines Manual and KOA Kampground Operations Manuals; to comply with the terms and provisions of the foregoing manuals and to observe the rules, regulations and campground standards established by KOA. Such services and facilities will include clean and quiet premises, safe drinking water, washbasins, hot showers, flush toilets only, picnic tables, adequate lighting system, water supply, sanitary disposal station, weed and insect control, an adequate public phone listed under "KOA", a KOA system map, a mail and message service, a bulletin board, information on local activities and attractions and a children's playground, all such services to be without additional charge to the customer. In addition, FRANCHISEE shall provide the services of a fully stocked convenience store, which shall stock those items listed in and at such minimum levels as is prescribed in the KOA Kampground Merchandising Manual. Further, FRANCHISEE shall provide a game room, vending machines and coin laundry at appropriate charges. KOA reserves the right to revise and amend the foregoing services and facilities requirements, manuals, rules, regulations and standards from time to time.

(k) To participate in the KOA Value Kard Program and follow the policies and participation guidelines of KOA. FRANCHISEE will sell the Value Kard for the amount specified by KOA and mail the proceeds, card applications, forms, and other Value Kard related documents at the time and to the address specified by KOA for participation in the program.

(l) To permit inspection of premises, facilities, records, books and accounts by KOA representatives and to give free accommodations to any such representatives when on official duty for such time as may be reasonably necessary. Any information derived from any such inspection will be treated as confidential in nature. If KOA is required to resort to legal proceedings to gain access to the foregoing items, all costs and attorney fees incurred by KOA will be at FRANCHISEE's expense. Such expense will bear interest at the interest rate earlier stated for delinquent amounts owed KOA by FRANCHISEE.

(m) To assume sole and entire responsibility and indemnify and save harmless KOA from any and all claims, liability, responsibility and damage, or any costs or expenses by reason of any loss of life or injuries to persons or property that may be sustained on or near or in connection with the operation of the above described franchised business; to indemnify KOA and to save harmless KOA in regard to any and all liability that may be incurred; to indemnify and save harmless KOA as to any liability and costs incurred therein by reason of any mechanic's lien due, or claims for materials furnished or claimed to have been furnished, or labor performed or claimed to have been performed during the term hereof in or about or in connection with the park/campground business, or any appurtenances thereof, when such materials have been furnished or labor performed at the request of or under contract with FRANCHISEE.

(n) To maintain in full force and effect during the entire term of this agreement, at FRANCHISEE's sole cost and expense, an insurance policy or policies protecting the FRANCHISEE and KOA and their respective officers and employees against any loss, liability, or expense whatsoever from personal injury, death, property damage, or otherwise, arising out of or in connection with the construction, operation, condition, use or occupancy of the park/campground. KOA will be named as an additional insured in such policy or policies (U.S. workers' compensation or employer's liability insurance excepted). Such policy or policies will be written by responsible insurance companies or company groups holding a Best's general policyholders' rating of "A excellent" or better with a financial category of at least "class 10" or better and will include coverages equal to or exceeding coverages provided under the master insurance program available to KOA franchisees and shall include the following: I) comprehensive general public liability insurance, including product, contractual and personal injury liability, with limits of not less than a \$2,000,000 combined single limit for personal injury and property damage and II) owned, non-owned, hired, or leased automobile liability insurance with limits of not less than a combined single unit of \$1,000,000 for bodily injury and property damage and III) workers' compensation coverage to the broadest extent available in the FRANCHISEE's state or employer's liability with minimum limits of \$1,000,000 to the extent

the FRANCHISEE does not come under the state workers' compensation laws. Stopgap coverage must be secured in states with a monopolistic state fund. The insurance afforded by the policy or policies with respect to such liability will not be limited in any way by reason of any insurance which may be maintained by KOA. A certified true copy of the insurance policy showing compliance with the foregoing requirements will be furnished to KOA for each year of the term of the Franchise Agreement. Such policies will state that they will not be canceled or altered without at least 10 days' prior written notice to KOA. KOA reserves the right to vary these insurance requirements in its sole discretion on a case by case basis. A variance or suspension of these standards in any one situation by KOA to accommodate unique circumstances will not waive KOA's right to later enforce the full standards herein stated. It is not anticipated that any variance specified or granted under this paragraph will increase the coverage requirements. This possibility cannot be entirely excluded, however, because of unanticipated circumstances or legislative changes.

(o) To submit to KOA financial statements including a balance sheet and a profit and loss statement on forms provided by KOA and/or current Federal Income Tax Statements, within fiscal 90 days following the close of FRANCHISEE's fiscal year.

(p) FRANCHISEE will be eligible for membership in the Kampground Owners Association, whose purpose is to consider and discuss common problems relating to the operations of the park/campground business and to make recommendations to KOA with respect to advertising expenditures and other appropriate matters.

(q) To not engage in any other type of business activity on the park/campground without first obtaining approval in writing from a KOA officer.

(r) To display only KOA approved signs and marks.

(s) To not engage, directly or indirectly during the term of this agreement, in the ownership or operation, as a shareholder, through agents, affiliates or otherwise, in any business which is the same or substantially similar to the business covered by this Franchise Agreement without first obtaining the written consent of a KOA officer. The foregoing will not preclude the ownership of stock in a company whose shares are traded publicly. If for any reason any court having jurisdiction finds the provisions of this subparagraph unenforceable in duration or geographic area, such provisions will be confined to such time and area as the court determines.

(t) If the ownership of the park/campground business is transferred to a new franchisee however occurring, the new franchisee (operator or his representative) will be required to attend KOA's next scheduled orientation seminar at a regularly scheduled session in Billings, Montana.

(u) To attend a scheduled KOA-U Management School during the first year of this contract.

4. SERVICES OF KOA TO FRANCHISEE. KOA agrees:

(a) To make available to FRANCHISEE, upon request, all its services including consulting with KOA officials and staff on problems relating to additional construction and operation of a park/campground business so that FRANCHISEE will have available to him the experience and knowledge of KOA and other franchisees relating to such problems.

(b) To make available to FRANCHISEE, upon request, such information as KOA may have from time to time with respect to prices of equipment and supplies.

(c) To make an annual distribution of the KOA Kampground Directory.

(d) To work with campground equipment manufacturers, suppliers and other interested organizations in order to encourage camping in general and utilization of KOA facilities in particular.

(e) Maintenance and repair of previously and currently loaned signs will be FRANCHISEE's responsibility until their return to KOA. If FRANCHISEE fails to properly maintain the loaned signs consistent with KOA's standards, then KOA can repair, replace or repaint the sign to comply with KOA's standards. Such repairs, replacement or repainting will be done at FRANCHISEE's expense.

5. **KOA KAMPGROUND DIRECTORY LISTINGS.** KOA takes every precaution to make certain that the KOA Kampground Directory contains correct listings of all of the KOA Kampgrounds. It is recognized by the parties hereto that because of the possibilities for error and omission, KOA will not be held liable for such error or omission. Accordingly, FRANCHISEE hereby releases KOA and holds it harmless from any and all claims, liabilities, responsibilities and damages arising out of any error or omission in the Directory. In the event that FRANCHISEE violates any term, provision, covenant, or condition contained in this Franchise Agreement, KOA, at its option, has the right to omit FRANCHISEE's listing from the next published Directory.

6. **TERM.** This Franchise Agreement is in effect for a term of five (5) years, commencing with the effective date of this agreement and ending with the expiration date stated on the first page of this agreement.

A consent to transfer by KOA of the Franchise Agreement or the transfer of the underlying real estate or any interest therein upon which this KOA park/campground business is operated will not relieve either the FRANCHISEE or transferee of the continuing obligation to operate a KOA franchised park/campground business as stated in Paragraph 12. **ASSIGNMENT.** herein, unless otherwise agreed by KOA in writing and signed by the President of KOA.

7. **RENEWAL.** If FRANCHISEE keeps and performs all of the covenants and agreements herein contained during the term of this agreement, FRANCHISEE will have the privilege and option of executing a new KOA Franchise Agreement. If FRANCHISEE desires to exercise the option to execute a new Franchise Agreement, FRANCHISEE will give KOA written notice thereof not less than ninety (90) days before the end of the term of this agreement. In the event FRANCHISEE exercises his option, KOA and FRANCHISEE shall enter into a new Franchise Agreement upon the then current and appropriate standard form being offered by KOA with the then current annual franchise administrative fee and royalty provisions stated in such form. No franchise fee will be charged for the signing of the new Franchise Agreement.

8. **TERMINATION.** If any one or more of the following violations or defaults continues for a period of thirty (30) days following written notice from KOA to FRANCHISEE of such violation or default, KOA will have the right to terminate and cancel this agreement:

(a) If FRANCHISEE violates any term, provision, covenant or condition contained herein, including but not limited to FRANCHISEE's failure to make payment to KOA of the franchise administrative fee, royalty, advertising assessment or any other charge owed to KOA, or FRANCHISEE makes unauthorized alterations to existing structures or adds unapproved structures, or FRANCHISEE fails to comply with the services and facilities requirements, manuals, rules, regulations and park/campground standards established by KOA, or FRANCHISEE materially impairs the goodwill associated with the KOA system; or

(b) If FRANCHISEE fails to make payment to KOA of any other amount owed KOA, including but not limited to payments covering merchandise, inventory, goods, fixtures, equipment, interest and like items; or

(c) If a petition in bankruptcy or an application for any other relief under any provision of the Bankruptcy Act is filed by or against FRANCHISEE, or if FRANCHISEE makes an assignment for the benefit of creditors or a receiver or trustee is appointed for the assets or affairs of FRANCHISEE or FRANCHISEE cannot pay his debts as they become due and payable.

Thirty (30) days after delivery of such default notice and if FRANCHISEE fails to cure such default, KOA, at its option, may deliver to FRANCHISEE a notice of termination and this agreement will thereupon be terminated. FRANCHISEE will be liable in damages to KOA for any and all amounts due on or after the effective date of such termination. In the event of termination or cancellation of this agreement as aforesaid, or for any other cause or reason whatsoever, all sums of money previously paid KOA by FRANCHISEE will be retained by and will remain the property of KOA for services rendered by KOA and for value received by FRANCHISEE.

9. **OBLIGATIONS UPON TERMINATION.** In the event of termination of this Franchise Agreement for any reason or cause whatsoever, all rights of FRANCHISEE hereunder will thereupon terminate, and FRANCHISEE shall immediately thereafter cease to use, by advertising or otherwise, directly or indirectly, the KOA system or any part thereof, and without limiting the generality of the foregoing, FRANCHISEE shall cease to use and shall withdraw from use all signs, both exterior and interior, furnishings, advertising matter or any other articles which display the names "Kampgrounds of America", "KOA", or any combination thereof, the trade names, trademarks, service marks, certification marks, copyrights, designs, slogans, names and matters used or identified with the KOA system or similar thereto or suggestive thereof. Further, FRANCHISEE shall not thereafter use the terms "formerly KOA", "ex-KOA", "prior KOA" or any other similar term denoting FRANCHISEE's former association with KOA. FRANCHISEE also agrees, upon any termination of this agreement, to cease and refrain from holding itself out to the public in any way as a member of the KOA system or as a franchisee or operator of a KOA franchised park/campground business and to distinguish FRANCHISEE's campground thereafter so clearly from those within the KOA system so as to avoid all possibility of any confusion by the public.

Upon termination or expiration, KOA will be entitled to purchase all of the signs or signboards that have been erected by FRANCHISEE utilizing KOA's marks or identity items during the term of the Franchise Agreement for their fair market value. FRANCHISEE will be entitled to the materials supporting the signboard plus all of the backing materials located to the rear of sign or signboard. Upon tendering the fair market price, KOA may enter the park/campground premises or wherever a sign is located outside the park/campground premises with consent and remove the sign without being deemed guilty of a trespass. If a sign is leased (not the property of FRANCHISEE) FRANCHISEE hereby authorizes KOA to assume the lease or have the sign or signboard removed, painted or otherwise covered to cease any further use of the KOA marks or other KOA identity items or symbols above mentioned by FRANCHISEE. At the termination of this agreement, FRANCHISEE agrees to deliver any KOA signs to KOA at FRANCHISEE's expense in the same condition as when received, reasonable wear and tear excepted.

In the event of such termination and the refusal of FRANCHISEE to deliver the signs to KOA, KOA shall have the right to enter the FRANCHISEE's premises to take possession of the signs, and FRANCHISEE hereby consents to KOA's representatives entering FRANCHISEE's park/campground and removing the same without being deemed a trespasser for removing KOA's property.

In the event that FRANCHISEE fails to remove and return the aforementioned signs to KOA as required herein at the expiration or termination of this agreement, FRANCHISEE shall pay to KOA a daily rental of \$12.00 per sign until the signs are removed and returned to KOA's possession. The rent will be computed for each sign from the day following termination of the Franchise Agreement to the date of return of the sign to KOA's possession.

All monies owed KOA under this Franchise Agreement or any promissory notes (due or not by the note's terms) or other indebtedness shall be paid within ten (10) days of the termination of this Franchise Agreement. All manuals, bulletins, instruction sheets, forms, plans, signs, advertising material, stationery, customer lists, registration receipts, unused or completed, or other material relating to the KOA system shall be returned to KOA by FRANCHISEE. KOA will be entitled to injunctive and equitable relief to include attorney fees and court costs for any violation of the terms and conditions of this paragraph and any and all relief that a court of competent jurisdiction shall see fit to render for a violation thereof. Further, all telephone numbers and other directory advertising shall be transferred to KOA or its assigns. KOA is hereby appointed as FRANCHISEE's irrevocable attorney in fact to accomplish this fact in FRANCHISEE's name. FRANCHISEE agrees to cooperate and execute any documentation necessary to effect the transfer of the number and telephone advertising. FRANCHISEE shall not use the disconnected number(s) at any time thereafter.

10. **AUDIT.** KOA has the right hereunder to an audit made by a public accountant selected by KOA of all books, records and accounts of FRANCHISEE, including FRANCHISEE's bank accounts and tax records. All expenses of such audit will be paid by KOA unless the report of such accounts shows a deficiency in the payment of such royalties or advertising assessment of \$100.00 or more in which case FRANCHISEE will pay the expenses of the audit. The final audit report of such accountant will be conclusive upon the parties, and FRANCHISEE shall pay to KOA within ten (10) days after a copy of such accountant's final report has been delivered to FRANCHISEE, 200% of the amount, if any, shown thereby to be due to KOA.

11. **RIGHT TO PURCHASE.** FRANCHISEE hereby grants to KOA an option to purchase the park/campground to include its land, appurtenances and buildings or any interest or portion thereof on the same terms and conditions that FRANCHISEE may receive via a written offer by a prospective and bona fide purchaser, where such offer is deemed acceptable to FRANCHISEE.

Upon receipt of such an acceptable offer, FRANCHISEE shall send by certified mail to KOA the following: a copy of the offer; a fully executed copy of the buy-sell agreement; completed Franchise Application Form which includes a current financial statement of the proposed purchaser; a signed affidavit that if KOA declines to exercise its right to match the purchase offer the proposed purchaser will continue to operate the park/campground business as a KOA franchised park/campground business; a current profit and loss statement of FRANCHISEE; a legal description of the park/campground upon which the business is operated; and a list of all personal property and inventory to be transferred. KOA will have thirty (30) days from the receipt of these required documents to respond as to whether or not KOA will exercise its option. This thirty (30) day period will not start to run unless and until KOA receives copies of the above listed documents by the procedure required to give notice herein. If KOA exercises its option, the business and property shall be sold to KOA by FRANCHISEE upon the same terms and conditions as the bona fide offer. The foregoing right to purchase will not apply to real or personal property which is not used in the operation of the campground but is outlined in the legal description attached to this Franchise Agreement. If FRANCHISEE is a corporation, the foregoing right to purchase will also apply to one or more sales or transfers by which an aggregate of 50% or more of the corporation's voting shares shall be beneficially and legally vested in a party or parties who are not shareholders as of the date of this agreement. If KOA elects not to exercise its option granted hereunder, nothing herein will be construed as releasing the FRANCHISEE or new franchisee (proposed purchaser) from the continuing obligation to operate a KOA franchised park/campground business and proceeding as required in Paragraph 12. **ASSIGNMENT.** hereof after the transfer of the real property and its improvements. A transfer of the title or franchisee's interest in the underlying real estate will not terminate the Franchise Agreement or shorten the term of performance of this Franchise Agreement.

12. **ASSIGNMENT.** FRANCHISEE shall not sell, assign, transfer, pledge, mortgage, lease, option or in any way encumber this agreement or any right or interest of FRANCHISEE hereunder without the prior written consent of KOA (which consent shall not be unreasonably withheld) nor shall FRANCHISEE suffer or permit any assignment, transfer or encumbrance by judicial process or operation of law. Further, a transfer of the title of FRANCHISEE'S interest in the underlying real estate will not terminate the Franchise Agreement or shorten the term of the performance of this Franchise Agreement.

In the event that FRANCHISEE requests KOA to consent to the assignment of the Franchise Agreement to a third party, KOA will require that the new franchisee submit a Franchise Application Form, which includes a personal (and corporate) financial statement and such other documents that KOA may reasonably request to assure itself of the creditworthiness and financial stability of the new franchisee.

If KOA consents to any sale, assignment or transfer as provided herein, the new franchisee shall pay to KOA a franchise fee of \$5,000 further outlined in Paragraph 3 of this Franchise Agreement. Upon receipt of the foregoing franchise fee, KOA and proposed franchisee shall enter into a new Franchise Agreement upon the then current and appropriate standard KOA Franchise Agreement. The old Franchise Agreement will be canceled with the exception of any payments due or not otherwise assumed with KOA's approval in the transaction involving FRANCHISEE and new franchisee. See Paragraphs 6. **TERM.** and 11. **RIGHT TO PURCHASE.** as to the continuing obligation to operate a KOA franchised park/campground business.

If FRANCHISEE is a corporation, an assignment under the terms of this paragraph also includes one or more transfers, pledges or mortgages by which an aggregate of 50% or more of the corporation's voting shares will be beneficially and legally vested in or encumbered in favor of a party or parties who are not shareholders of at least 50% of shares as of the date of this agreement.

If FRANCHISEE is an individual, FRANCHISEE may assign this agreement after its effective date to a corporation without the payment of the foregoing transfer fee, provided, however, that FRANCHISEE remains the legal and beneficial owner of at least 51% of all of the voting shares of stock of such corporation during the term of this agreement.

If FRANCHISEE dies, his estate's representative may sell and assign the FRANCHISEE's interest in the Franchise Agreement, or if FRANCHISEE is a corporation and its controlling stockholder shall die, his representative may sell his shares, but not without obtaining the written consent of a KOA officer to a qualified person who will conform to KOA's training requirements and will assume FRANCHISEE's obligations. If the assignment is to a family member, there will be no (franchise) fee, but the family member must sign a then current form of the KOA Franchise Agreement and pay KOA the costs of his training, transportation and other living expenses during training as required by KOA of all of its beginning franchisees. For the purposes of this paragraph, family member is defined and limited to the FRANCHISEE's father, mother, daughter or son. If a transfer occurs outside these specified persons, it will require KOA's written consent to avoid payment of the franchise fee.

13. **ARBITRATION.** Any controversy or claim arising out of or relating to this Franchise Agreement or the breach hereof, except as stated below, will be settled by arbitration in accordance with the rules of The American Arbitration Association then in effect. The decision of the arbitrator shall, except for mistakes of law, be final and binding upon the parties hereto, and judgment upon the award rendered by the arbitrator, which will, in the case of damages, be limited to actual damages proven in the arbitration, may be entered in any court having jurisdiction thereof.

There will be a single arbitrator who shall be an existing or former judge of a court of record within the United States or an attorney in good standing admitted to practice for a period of at least ten (10) years within the United States. No arbitration will involve parties other than the parties hereto and their respective successors and assigns or be in any respect binding with respect to any such other parties. The situs of the arbitration will be Billings, Montana unless the state law where the franchised park/campground is situated provides otherwise. In such case(s), the situs will be at the American Arbitration Association's office located in the most populous city of that state.

Except for Paragraph 3.(1) and as below stated all fees and expenses attendant to an arbitration proceeding will be shared pro rata among all parties to the arbitration.

The arbitrator will have no power or authority to diminish KOA's complete and exclusive right, title and interest in its patents, trademarks, service marks, trade names, copyrights and other trade secrets or to vary the terms, conditions or payments which KOA has designated for licensing one or more of the same.

A party wishing to proceed through an action, suit or proceeding with respect to trademarks, service marks, trade names, copyrights or other industrial property rights may do so without limitation, protecting any of the same against infringements and recovering compensation or damages for their use. The prevailing party is entitled to be compensated for its attorney's fees, court costs and other reasonable expenses in any such action.

14. **NON-COMPETITION.** FRANCHISEE agrees that upon the sale of his park/campground business, FRANCHISEE will not

operate, own or participate indirectly, as an employee, consultant or investor, another park/campground business, for a period of one (1) year within a fifty (50) mile radius of the franchise territory described in the Franchise Agreement.

15. **RELATIONSHIP OF PARTIES.** The relationship existing between KOA and FRANCHISEE under the terms of this Franchise Agreement will not be deemed to create, nor will any operations performed by any of the parties hereto under this agreement constitute a joint endeavor, joint venture, undertaking, association, partnership or principal-agent, employer-employee or trustee-beneficiary relationship of any type. Nothing herein contained shall be deemed to impose upon any party to this Franchise Agreement any responsibility for the obligations herein assumed by the other party to this agreement.

16. **NAME OF KOA KAMPGROUND.** FRANCHISEE shall not adopt or use any name for its park/campground business without first obtaining the written consent of KOA to the use of the desired name. "KOA", "Kampgrounds of America" or any registered mark of KOA may not be used in any corporation, partnership or other business entity's name of the FRANCHISEE.

17. **WAIVERS.** No delay, waiver, omission or forbearance on the part of KOA to exercise any right, option, duty or power arising out of any breach or default by FRANCHISEE, or by any other franchisee, of any of the terms, provisions or covenants contained herein, will constitute a waiver by KOA thereof to enforce any such right, option or power as against FRANCHISEE, or as to subsequent breach or default by FRANCHISEE.

18. **PARTIAL INVALIDITY.** Any provision of this agreement prohibited by law or by court decree in any locality or state shall be suspended to the extent of such prohibition without invalidating or affecting the remaining provisions of this agreement, or without invalidating or affecting the provisions of this agreement within states and localities where not prohibited by law or court decree.

19. **PERFORMANCE, INTERPRETATIONS AND FORUM.** It is stipulated that this agreement has been negotiated, executed and delivered within the State of Montana and is to be performed at Billings, Yellowstone County, Montana. This agreement shall be construed and interpreted and the rights and obligations of the parties hereunder governed in accordance with the laws of Montana.

20. **CONSTRUCTION.** All terms and words used in this Franchise Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this agreement or any paragraph or clause herein may require, as if such words had been fully and properly written in the appropriate number and gender. If FRANCHISEE consists of two or more individuals, corporations, associations or other entities, such individuals, corporations, associations or entities will be jointly and severally liable hereunder.

21. **NOTICES.** Any notices or demands required hereunder will be in writing and will be delivered in person or sent by the United States certified mail to the addresses stated herein. The address of either KOA or FRANCHISEE may be changed from time to time by giving written notice in that regard. Notice by mail shall be deemed to have been served when posted in the United States Post Office, postage prepaid.

22. **HEADINGS.** The headings as to the contents of particular paragraphs herein are inserted only for convenience and are in no way to be construed as part of this agreement or as a limitation on the scope of the particular paragraphs to which they refer.

23. **REPRESENTATIONS BY AND RESPONSIBILITIES OF KOA.** No agent or representative of KOA has authority to make any representations, statements, warranties or agreements not herein expressed, including but not limited to development costs, the availability of financing and the costs and availability of land within the franchise territory, it being understood that decisions as to these matters are the sole responsibility of FRANCHISEE. KOA assumes no responsibility for obtaining FRANCHISEE's financing for the construction, development or the success or profitability of the park/campground business franchised hereunder.

24. **MISCELLANEOUS.** Time is of the essence of this agreement. This agreement contains the full and entire agreement between the parties hereto and there are no representations, inducements, promises, agreements, arrangements or undertakings, oral or written, between the parties hereto other than those set forth and duly executed in writing. No agreement of any kind shall be binding upon either party unless and until the same has been made in writing and duly executed by both parties.

25. **VALIDITY AND PAYMENTS.** This franchise agreement is not valid until signed by the FRANCHISEE and by an authorized officer of KOA. All payments required hereunder must be made payable to Kampgrounds of America, Inc. IN WITNESS WHEREOF, the parties hereto have duly executed this Franchise Agreement at Billings, Montana.

FRANCHISEE	KAMPGROUNDS OF AMERICA, INC.
By _____	By _____
By _____	Title _____
Title _____	Date executed by KOA, INC. _____
Date executed by FRANCHISEE _____	

FOR CORPORATE OWNER NOTARIZATION

STATE OF _____)
) ss.
 COUNTY OF _____)

On this _____ day of _____, 19_____, before me the undersigned, personally appeared _____ of the corporation known to me to be the _____ who executed the within instrument and acknowledged to me the execution thereof to be their free act and deed as such officers of the corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL) Notary Public for the State of _____
 My Commission expires _____

FOR INDIVIDUAL OR PARTNERSHIP OWNER NOTARIZATION

STATE OF _____)
) ss.
 COUNTY OF _____)

On this _____ day of _____, 19_____, before me the undersigned, personally appeared _____ known to me to be the person(s) described in and who executed the foregoing instrument and he/she (they) each acknowledged before me that he/she (they) executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL) Notary Public for the State of _____
 My Commission expires _____

FOR KOA, INC. NOTARIZATION

STATE OF _____)
COUNTY OF _____) ss.

On this _____ day of _____, 19____, before me the undersigned, personally appeared _____, known to me to be the _____ of Kampgrounds of America, Inc. who executed the within instrument and acknowledged to me the execution thereof to be their free act and deed as such officer(s) of the corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL)

Notary Public for the State of _____
My Commission expires _____

MAP SCRAP

The outlined area on the above portion of the Rand McNally map visually corresponds with the "Franchise Territory" as defined in my Franchise Agreement with Kampgrounds of America, Inc.

INITIALS

ADDENDUM TO KOA FRANCHISE AGREEMENT FORM Q
FRANCHISE AGREEMENT # _____
EFFECTIVE DATE _____
CAMPGROUND NAME _____

This Addendum includes paragraph 3(a)(I) in Franchise Agreement
_____ with an effective date of _____
as follows:

- 3(a)(I) To pay a conversion franchise fee of \$15,000 payable as follows: (i) \$7,500 upon the execution by FRANCHISEE of this agreement, \$2,500 of which is refundable, without interest or deductions, if FRANCHISEE elects not to make changes to his property and operations as requested by KOA after an on-site inspection; (ii) an additional \$7,500 upon the FRANCHISEE'S execution of an agreement to make changes to his property and operations as requested by KOA. In the event that KOA does not execute this Franchise Agreement or if any prospective franchisee shall withdraw his execution of this agreement by written notice prior to its execution by KOA, any part of the conversion franchise fee previously paid KOA by the prospective franchisee shall be refunded without interest or deduction. However, in the event this Franchise Agreement is executed by both parties and if FRANCHISEE executes an agreement to make changes to his property and operations as requested by KOA after an on-site inspection, then none of the conversion franchise fee paid KOA by FRANCHISEE is refundable or creditable except as specifically provided in this paragraph, paragraph 3(a)(I). The foregoing \$15,000 payment shall be referred to herein as "conversion franchise fee".

FRANCHISEE

KAMPGROUNDS OF AMERICA, INC.

By: _____

By: _____

Title: _____

Title: _____

Date Executed by Franchisee

Date Executed by KOA, Inc.



KAMPGROUNDS OF AMERICA, INC.

Billings, Montana

FRANCHISE AGREEMENT

Q1

Effective Date

Expiration Date

Approved KOA Kampground Name
This will be the only name used to identify, market
and/or advertise the subject franchised campground.

THIS AGREEMENT is by and between KAMPGROUNDS OF AMERICA, INC. ("KOA"), a Montana corporation, with its principal office at 550 North 31st Street (P.O. Box 30558) Billings, Montana 59114, and _____

("FRANCHISEE") located at _____

WITNESSETH:

KOA has developed and perfected an international system of franchised recreational vehicle parks and KOA Kampground businesses ("park/campground business") identified by trademarks, service marks, trade names, symbols and other proprietary materials of KOA which provides the general public with clean and comfortable camping accommodations of the highest quality (herein called "KOA system" or "system"). The success of the entire KOA system is dependent upon the continuing good reputation of each park/campground business operated within the system, and upon the continuing goodwill of the public toward the name, Kampgrounds of America, Inc. The success of both parties to this agreement and of all other franchisees is directly affected by the business conduct of all KOA franchisees. Therefore, adherence to the terms of this agreement is a matter of mutual importance and consequence.

Accordingly, the parties hereto mutually covenant and agree as follows:

1. FRANCHISE AND TERRITORY. KOA grants to FRANCHISEE, subject to the terms and conditions herein, an exclusive franchise to construct, operate and own one (1) recreational park/campground business within, and only within, the following territory (hereinafter referred to as the "franchise territory"):

A map of the foregoing franchise territory is attached on page 6 and by reference made a part of this agreement. In the event of any conflicts or inconsistencies between the above description and the attached map, the above description will control.

This Franchise Agreement and all fees paid and provided for herein are for the franchised operation of one (1) park/campground business located at a site (within the franchise territory) to be selected by FRANCHISEE and approved by KOA.

In the event that FRANCHISEE shall be granted the right to construct, operate and own an additional park/campground business within the franchise territory, FRANCHISEE agrees to pay such additional franchise and administrative fees and other costs and to assume such obligations as those prevailing between KOA and other franchisees being entered into when the additional franchise is granted. KOA and FRANCHISEE shall enter into and execute a separate Franchise Agreement for each such additional park/campground business within the franchise territory. In such case the franchise territory included in any prior Franchise Agreement will be deemed to be automatically amended so as to exclude all of the franchise territory included in any new Franchise Agreement.

2. MARKS AND NAMES.

(a) FRANCHISEE acknowledges and recognizes the exclusive right of KOA to grant this franchise and to grant similar franchises in other areas and also the exclusive right of KOA to all service marks, trademarks, copyrights, certification marks, designs, slogans, names, symbols and matters (hereinafter collectively called "marks") now or hereafter displayed or used as part of the KOA system and the exclusive right of KOA to use and grant the right to others to use the said marks and the names "Kampgrounds of America, Inc.", "KOA", or any other combination thereof.

(b) FRANCHISEE is granted the right, during the period when this agreement is in force, to use the marks of KOA only as these names and marks pertain to the KOA system. FRANCHISEE shall not use any of the marks licensed under this Franchise Agreement in connection with any other business, operation or entity either within or without the park/campground business or the above described franchise territory. All advertising that is developed or caused to be developed by FRANCHISEE for FRANCHISEE's use which incorporates the use of KOA's marks will be submitted to KOA for its approval prior to any publication or use. FRANCHISEE acknowledges and agrees that the right to use these marks is by this license from KOA and that all use of these marks inures solely to the benefit of KOA and further agrees not to assert any interest in or property rights in any of the marks of KOA which are now or hereafter owned or controlled by KOA.

(c) FRANCHISEE shall not during the term of this agreement or thereafter, directly or indirectly, adopt or use as a trademark, service mark, trade name or corporate name any of the marks of the KOA system or any term or translation meaning the same thing as any of the marks of KOA or any word, symbol or picture or combination thereof which is confusingly similar to any marks of KOA; and it shall not, directly or indirectly, during the term of this agreement or thereafter, register or attempt to register any of the foregoing in any country or territory as a property right of any kind or nature; and it shall not directly or indirectly assist, permit or allow any other person, firm or corporation to do any of the foregoing, including but not limited to FRANCHISEE OR FRANCHISEE's affiliates and subsidiaries or agents or employees of the affiliates and subsidiaries.

(d) FRANCHISEE is under no obligation to purchase any goods and supplies from KOA or KOA approved suppliers for purposes of resale by FRANCHISEE at its campground, provided that any such goods and supplies do not bear the names and marks of KOA. However, all such goods and supplies which bear the names and marks of KOA and which FRANCHISEE intends to use for purposes of resale, distribution or other use must be purchased by FRANCHISEE from KOA or from suppliers licensed by KOA in writing and who meet the specifications and standards of KOA. If FRANCHISEE has a preferred supplier for such goods and supplies, FRANCHISEE may submit a written request to KOA for the licensing of such supplier. The licensing of a supplier by KOA will not be unreasonably withheld. Licensing by KOA, however, is required before any sale or other use will be allowed to take place.

(e) FRANCHISEE shall not, during the term of this agreement or thereafter, directly or indirectly, contest or aid in contesting the exclusive use, ownership and rights of KOA in and to the marks.

(f) FRANCHISEE shall notify KOA of any violation or infringement of the marks that comes to the attention of FRANCHISEE.

3. FRANCHISEE'S REPRESENTATIONS, DUTIES AND OBLIGATIONS. FRANCHISEE agrees:

(a) To pay KOA a franchise purchase fee of \$20,000.00 payable as follows: i) \$10,000.00 upon the receipt of a completed Franchise Application Form and the execution by FRANCHISEE of this agreement; ii) an additional \$10,000.00 upon the construction commencement date set forth below in Paragraph 3(c) or upon the date FRANCHISEE begins construction of his park/campground; whichever date shall first occur. In the event that KOA does not execute this Franchise Agreement or if any prospective franchisee shall withdraw his execution of this agreement by written notice prior to its execution by KOA, any part of the franchise purchase fee previously paid KOA by the prospective franchisee shall be refunded. However, in the event this Franchise Agreement is executed by both parties, none of the franchise purchase fee paid KOA by FRANCHISEE is refundable. The foregoing \$20,000.00 payment shall hereafter be referred to herein as "franchise purchase fee".

(b) If this KOA franchised business is sold, transferred or otherwise assigned to a new franchisee, the new franchisee will pay

a \$5,000 franchise fee upon the signing of his Franchise Agreement. This \$5,000 will be used to defray KOA's expenses and is not refundable upon the execution of the Franchise Agreement by KOA.

(c)(I) To commence construction on or before _____, 19____; to complete such construction on or before _____, 19____. Plans and specifications for the building, facilities and campground (including but not limited to landscaping, exterior design, color scheme (an exhibit which is attached), building structure, floor plan, decorations, and fixtures must conform to those established by KOA and must be approved in writing by a KOA officer prior to the commencement of the construction of the campground. If FRANCHISEE does not commence construction by the date required hereunder or having so commenced does not prosecute the same with reasonable diligence and complete the same by the date required hereunder, this Franchise Agreement and all rights hereunder may, at the option of KOA, be canceled as provided elsewhere herein.

(II) The basic amenities of a new campground are listed on the attached schedule. (Exhibit A). The structures approved initially or constructed thereafter during the term of this Franchise Agreement for placement upon FRANCHISEE's park/campground may not be altered or changed nor any unauthorized or unapproved structure be added to or placed upon the park/campground without the written consent of a KOA officer.

(d) To pay KOA, on a weekly basis, a royalty of 8% of total registration receipts plus an advertising assessment equal to 2% of total registration receipts. The percentages are payable commencing with the time at which FRANCHISEE's park/campground business opens for business. FRANCHISEE shall complete the KOA prescribed registration form for each customer and place the registration form within the KOA standard registration rack for the period of time that the customer remains within the park/campground. No other form may be used without KOA's approval. FRANCHISEE shall remit royalties to KOA no later than Monday following the week being reported. For purposes of this agreement, FRANCHISEE will be deemed to have commenced business at the time any parts of the park/campground sites are offered for rental and "total registration receipts" will mean and include all receipts derived from the renting, use or occupancy of campsites and lodging facilities of every kind and nature at the place of business regardless of the length of stay, i.e. day, week, month or year. Further, total registration receipts will include all charges for utility hookups consisting of water, electricity and sewer, whether metered separately or not, but will exclude reasonable charges for television and telephone connections; and sales, use, excise and similar taxes which may be required by law to be collected.

(e)(I) The 2% advertising assessment shall be paid with the royalty payment on the same prescribed basis. All such monies received by KOA will be deposited in a separate account and will be used solely for advertising, promotion and public relation programs. This includes advertising research and other costs necessary to prepare and produce these programs. KOA agrees to contribute to advertising and promotional programs an annual sum of 12.5% of the total 8% royalties paid from the preceding year. KOA will provide a yearly accounting of the 2% advertising fund of those monies contributed to the fund by franchisees and will consult with a committee consisting of members of the Kampground Owners Association and other franchisees for suggestions on expenditures. The final decision on expenditures will, however, be within the sole discretion of KOA. An advertising media plan will be provided FRANCHISEE on an annual basis.

(II) If the weekly percentages required to be paid by FRANCHISEE under sub-paragraphs 3.(d) and (e) hereof become more than thirty (30) days in arrears, KOA will be entitled to charge a 1% per month interest charge on the delinquent and outstanding balance until such delinquency is paid to a current status. If 1% per month exceeds the state's legal interest rate, then the highest legal rate of interest rate allowed below 1% per month will be charged. This highest legal rate will apply throughout the remainder of the Franchise Agreement where interest is to be charged for delinquent payment, and the 1% per month exceeds the state's legal rate of interest.

(f) To pay KOA an annual administrative fee of three hundred dollars (\$300.00). This franchise administrative fee will be due on August 31 of each year of the Franchise Agreement's term, and any extension thereof, for the next or ensuing year and will be paid whether or not the campground is open for business.

(g)(I) To pay promptly when due all charges and amounts covering goods and services furnished FRANCHISEE by or through KOA, including but not limited to merchandise, inventory, goods, fixtures, equipment and like items. If charges become thirty (30) days delinquent a charge of 1% per month will be added to the amount due each month until the delinquency is paid to a current status.

(II) If FRANCHISEE fails or neglects to report total registration receipts as provided herein, KOA will be entitled to bill FRANCHISEE on the basis of past registration receipts. KOA's sending bills or receiving payments will not prejudice the parties hereto in making adjustments on account of overpayments or underpayments.

(III) All payments made or to be made by FRANCHISEE and however named or described apply in the aggregate and comprehensively to FRANCHISEE's performance of this agreement. KOA may allocate any payment received from FRANCHISEE to any one or more of the various payments that FRANCHISEE is to make according to KOA's own accounting practices.

(h) To maintain a high moral and ethical standard and environment at FRANCHISEE's place of business; to comply with all local, state and federal laws, ordinances, rules and regulations pertaining thereto; to maintain its business premises and accommodations in a clean, safe and orderly manner and to provide efficient, courteous and high quality services to the public.

(i)(I) To use all means to encourage the use of KOA and the KOA system on an international basis by the traveling public and to use its best efforts toward the promotion of its park/campground business.

(II) To participate in the KOA reservations system and no other reservation system without KOA's consent. FRANCHISEE shall also provide the necessary communications equipment to participate in the KOA reservations system.

(III) To operate and to be personally involved in day-to-day operations in the park/campground business and keep the same open during the time fixed by the franchisee and listed in the current KOA Kampground directory, but in any event not less than ninety (90) consecutive days during each year. This ninety (90) day period is subject to KOA approval. If FRANCHISEE does not operate the park/campground business for the minimum period, at KOA's option, the Franchise Agreement may be canceled as provided herein for cancellation.

(j) To participate in the "Kamping Kabin" program, and to adhere to its policies and procedures concerning the use of approved structures, and maintaining the rustic nature of the Kabinas as may be set out in correspondence, bulletins and notices. Further, FRANCHISEE shall accept such requested changes in the program as KOA may reasonably require. FRANCHISEE agrees that he shall not place any structures of a similar or like type nature on his KOA Kampground either during the term of this agreement or thereafter. If removal of any unauthorized structures becomes necessary, each removal and the expenses incurred thereby will be the responsibility of the FRANCHISEE.

(k) To provide services and facilities to the public as specified in the KOA Kampground Development Guidelines Manual and KOA Kampground Operations Manuals; to comply with the terms and provisions of the foregoing manuals and to observe the rules, regulations and campground standards established by KOA. Such services and facilities will include clean and quiet premises, safe drinking water, washbasins, hot showers, flush toilets only, picnic tables, adequate lighting system, water supply, sanitary disposal station, weed and insect control, an adequate public phone listed under "KOA", a KOA system map, a mail and message service, a bulletin board, information on local activities and attractions and a children's playground. All such services to be without additional charge to the customer. In addition, FRANCHISEE shall provide the services of a fully stocked convenience store, which shall stock those items listed in and at such minimum levels as is prescribed in the KOA Kampground Merchandising Manual. Further, FRANCHISEE shall provide a game room, vending machines and coin laundry at appropriate charges. KOA reserves the right to revise and amend the foregoing services and facilities requirements, manuals, rules, regulations and standards from time to time.

(l) To participate in the KOA Value Kard Program and follow the policies and participation guidelines of KOA. FRANCHISEE will sell the Value Kard for the amount specified by KOA and mail the proceeds, card applications, forms and other Value Kard related documents at the time and to the address specified by KOA for participation in the program.

(m) To permit inspection of premises, facilities, records, books and accounts by KOA representatives and to give free accommodations to any such representatives when on official duty for such time as may be reasonably necessary. Any information derived from any such inspection will be treated as confidential in nature. If KOA is required to resort to legal proceedings to gain access to the foregoing items, all costs and attorney fees incurred by KOA will be at FRANCHISEE's expense. Such expense will bear interest at the interest rate earlier stated for delinquent amounts owed KOA by FRANCHISEE.

(n) To assume sole and entire responsibility and indemnify and save harmless KOA from any and all claims, liability, responsibility, and damage, or any costs or expenses by reason of any loss of life or injuries to persons or property that may be sustained on or near or in connection with the operation of the above described franchised business; to indemnify KOA and to save harmless KOA in regard to any and all liability that may be incurred; to indemnify and save harmless KOA as to any liability and costs incurred therein by reason of any mechanic's lien due, or claims for materials furnished or claimed to have been furnished, or labor performed or claimed to have been performed during the term hereof in or about or in connection with the park/campground business, or any appurtenances thereof, when such materials have been furnished or labor performed at the request of or under contract with FRANCHISEE.

(o) To procure before the commencement of the park/campground construction and maintain in full force and effect during the

entire term of this agreement, at FRANCHISEE's sole cost and expense, an insurance policy or policies protecting the FRANCHISEE and KOA and their respective officers and employees against any loss, liability, or expense whatsoever from personal injury, death, property damage, or otherwise, arising out of or in connection with the construction, operation, condition, use or occupancy of the park/campground. KOA will be named as an additional insured in such policy or policies (U.S. workers' compensation or employer's liability insurance excepted). Such policy or policies will be written by responsible insurance companies or company groups holding a Best's general policyholders' rating of "A excellent" or better with a financial category of at least "class 10" or better and will include coverages equal to or exceeding coverages provided under the master insurance program available to KOA franchisees and shall include the following: I) comprehensive general public liability insurance, including product, contractual and personal injury liability, with limits of not less than a \$2,000,000 combined single limit for personal injury and property damage and II) owned, non-owned, hired, or leased automobile liability insurance with limits of not less than a combined single unit of \$1,000,000 for bodily injury and property damage and III) workers' compensation coverage to the broadest extent available in the FRANCHISEE'S state or employer's liability with minimum limits of \$1,000,000 to the extent the FRANCHISEE does not come under the state workers' compensation laws. Stopgap coverage must be secured in states with a monopolistic state fund. The insurance afforded by the policy or policies with respect to such liability will not be limited in any way by reason of any insurance which may be maintained by KOA. A certified true copy of the insurance policy showing compliance with the foregoing requirements will be furnished to KOA before the commencement of campground construction and submitted upon renewal thereafter. Such policies will state that they will not be canceled or altered without at least 10 days' prior written notice to KOA. KOA reserves the right to vary these insurance requirements in its sole discretion on a case by case basis. A variance or suspension of these standards in any one situation by KOA to accommodate unique circumstances will not waive KOA's right to later enforce the full standards herein stated. It is not anticipated that any variance specified or granted under this paragraph will increase the coverage requirements. This possibility cannot be entirely excluded, however, because of unanticipated circumstances or legislative changes.

(p) To submit to KOA financial statements including a balance sheet and a profit and loss statement on forms provided by KOA and/or current Federal Income Tax Statement within 90 days following the close of FRANCHISEE's fiscal year.

(q) FRANCHISEE will be eligible for membership in the Kampground Owners Association, whose purpose is to consider and discuss common problems relating to the operations of the park/campground business and to make recommendations to KOA with respect to advertising expenditures and other appropriate matters.

(r) To not engage in any other type of business activity on the park/campground without first obtaining approval in writing from a KOA officer.

(s) To display only KOA approved signs and marks.

(t) To not engage, directly or indirectly during the term of this agreement, in the ownership or operation, as a shareholder, through agents, affiliates or otherwise, in any business which is the same or substantially similar to the business covered by this Franchise Agreement without first obtaining the written consent of a KOA officer. The foregoing will not preclude the ownership of stock in a company whose shares are traded publicly. If for any reason any court having jurisdiction finds the provisions of this subparagraph unenforceable in duration or geographic area, such provisions will be confined to such time and area as the court determines.

(u)(X) To have at least one person representing FRANCHISEE attend KOA-U Development Seminar prior to the commencement of construction of FRANCHISEE's campground.

(II) If the ownership of the park/campground business is transferred to a new franchisee however occurring, the new franchisee will be required to attend KOA's next scheduled Orientation Seminar at a regularly scheduled session in Billings, Montana.

(v) To attend a scheduled KOA-U Management School during the first year of this contract.

4. SERVICES OF KOA TO FRANCHISEE. KOA agrees:

(a) To make available to FRANCHISEE upon request all its services including consulting with KOA officials and staff on problems relating to design, construction, and operation of a park/campground business so that FRANCHISEE will have available to him the experience and knowledge of KOA and other franchisees relating to such problems.

(b) To loan to FRANCHISEE a Campground development plan, Campground Development Guidelines Manual, Supply Catalog and Operations Manuals and to furnish site analysis, and promotional guidance. No engineering or architectural studies or services will be supplied by KOA.

(c) To make available to FRANCHISEE, upon request, such information as KOA may have from time to time with respect to prices of equipment and supplies.

(d) To make an annual distribution of the KOA Kampground Directory.

(e) To work with campground equipment manufacturers, suppliers, and other interested organizations in order to encourage camping in general and utilization of KOA facilities in particular.

(f) To loan to FRANCHISEE a suitable, standard KOA sign for use at the entrance to FRANCHISEE's park/campground and such highway signs as may be specified by KOA. Maintenance and repair of the loaned signs will be FRANCHISEE's responsibility until their return to KOA. If FRANCHISEE fails to properly maintain the loaned signs consistent with KOA's standards, then KOA can repair, replace or repaint the sign to comply with KOA's standards. Such repairs, replacement or repainting will be done at FRANCHISEE's expense.

5. **KOA KAMPGROUND DIRECTORY LISTINGS.** KOA takes every precaution to make certain that the KOA Kampground Directory contains correct listings of all of the KOA Kampgrounds. It is recognized by the parties hereto that because of the possibilities for error and omission, KOA will not be held liable for such error or omission.

Accordingly, FRANCHISEE hereby releases KOA and holds it harmless from any and all claims, liabilities, responsibilities and damages arising out of any error or omission in the Directory. In the event that FRANCHISEE violates any term, provision, covenant, or condition contained in this Franchise Agreement, KOA, at its option, has the right to omit FRANCHISEE's listing from the next published Directory.

6. **TERM.** This Franchise Agreement is in effect for a term of five (5) years, commencing with the effective date of this agreement and ending with the expiration date stated on the first page of this agreement. A consent to transfer by KOA of the Franchise Agreement or the transfer of the underlying real estate or any interest therein upon which this KOA park/campground business is operated will not relieve either the FRANCHISEE or transferee of the continuing obligation to operate a KOA franchised park/campground business as stated in Paragraph 12. ASSIGNMENT herein, unless otherwise agreed by KOA in writing and signed by the President of KOA.

7. **RENEWAL.** If FRANCHISEE keeps and performs all of the covenants and agreements herein contained during the term of this agreement, FRANCHISEE will have the privilege and option of executing a new KOA Franchise Agreement. If FRANCHISEE desires to exercise the option to execute a new Franchise Agreement, FRANCHISEE will give KOA written notice thereof not less than ninety (90) days before the end of the term of this agreement. In the event FRANCHISEE exercises his option, KOA and FRANCHISEE shall enter into a new Franchise Agreement upon the then current and appropriate standard form being offered by KOA with the then current annual franchise administrative fee and royalty provisions stated in such form. No franchise fee will be charged for the signing of the new Franchise Agreement.

8. **TERMINATION.** If any one or more of the following violations or defaults continues for a period of thirty (30) days following written notice from KOA to FRANCHISEE of such violation or default, KOA will have the right to terminate and cancel this agreement:

(a) If FRANCHISEE violates any term, provision, covenant or condition contained herein, including but not limited to FRANCHISEE's failure to make payment to KOA of the franchise fee, franchise administrative fee, royalty, advertising assessment or any other charge owed to KOA, or FRANCHISEE's failure to commence and complete the construction of the building and campground within the time above provided, or FRANCHISEE makes unauthorized alterations to existing structures or adds unapproved structures, or FRANCHISEE fails to comply with the services and facilities requirements, manuals, rules, regulations and park/campground standards established by KOA, or FRANCHISEE materially impairs the goodwill associated with the KOA system; or

(b) If FRANCHISEE fails to make payment to KOA of any other amount owed KOA, including but not limited to payments covering merchandise, inventory, goods, fixtures, equipment, interest and like items; or

(c) If a petition in bankruptcy or an application for any other relief under any provision of the Bankruptcy Act is filed by or against FRANCHISEE, or if FRANCHISEE makes an assignment for the benefit of creditors or a receiver or trustee is appointed for the assets or affairs of FRANCHISEE or FRANCHISEE cannot pay his debts as they become due and payable.

Thirty (30) days after delivery of such default notice and if FRANCHISEE fails to cure such default, KOA, at its option, may deliver to FRANCHISEE a notice of termination and this agreement will thereupon be terminated. FRANCHISEE will be liable in damages to KOA for any and all amounts due on or after the effective date of such termination. In the event of termination or cancellation of this agreement as aforesaid, or for any other cause or reason whatsoever, all sums of money previously paid KOA by FRANCHISEE will be retained by and will remain the property of KOA for services rendered by KOA and for value received by FRANCHISEE.

9. **OBLIGATIONS UPON TERMINATION.** In the event of termination of this Franchise Agreement for any reason or cause

whatsoever, all rights of FRANCHISEE hereunder will thereupon terminate, and FRANCHISEE shall immediately thereafter cease to use, by advertising or otherwise, directly or indirectly, the KOA system or any part thereof, and without limiting the generality of the foregoing, FRANCHISEE shall cease to use and shall withdraw from use all signs, both exterior and interior, furnishings, advertising matter, or any other articles which display the names "Kampgrounds of America", "KOA", or any combination thereof, the trade names, trademarks, service marks, certification marks, copyrights, designs, slogans, names and matters used or identified with the KOA system or similar thereto or suggestive thereof. Further, FRANCHISEE shall not thereafter use the terms "formerly KOA", "ex-KOA", "prior KOA" or any other similar term denoting FRANCHISEE's former association with KOA. FRANCHISEE also agrees, upon any termination of this agreement, to cease and refrain from holding itself out to the public in any way as a member of the KOA system or as a franchisee or operator of a KOA franchised park/campground business and to distinguish FRANCHISEE's campground thereafter so clearly from those within the KOA system so as to avoid all possibility of any confusion by the public.

Upon termination or expiration, KOA will be entitled to purchase all of the signs or signboards that have been erected by FRANCHISEE utilizing KOA's marks or identity items during the term of the Franchise Agreement for their fair market value. FRANCHISEE will be entitled to the materials supporting the signboard plus all of the backing materials located to the rear of sign or signboard. Upon tendering the fair market price, KOA may enter the park/campground premises or wherever a sign is located outside the park/campground premises with consent and remove the sign without being deemed guilty of a trespass. If a sign is leased (not the property of FRANCHISEE) FRANCHISEE hereby authorizes KOA to assume the lease or have the sign or signboard removed, painted or otherwise covered to cease any further use of the KOA marks or other KOA identity items or symbols above mentioned by FRANCHISEE. At the termination of this agreement, FRANCHISEE agrees to deliver the foregoing signs to KOA at FRANCHISEE's expense in the same condition as when received, reasonable wear and tear excepted.

In the event of such termination and the refusal of FRANCHISEE to deliver the signs to KOA, KOA shall have the right to enter the FRANCHISEE's premises to take possession of the signs, and FRANCHISEE hereby consents to KOA's representatives entering FRANCHISEE's park/campground and removing the same without being deemed a trespasser for removing KOA's property.

In the event that FRANCHISEE fails to remove and return the aforementioned signs to KOA as required herein at the expiration or termination of this agreement, FRANCHISEE shall pay to KOA a daily rental of \$12.00 per sign until the signs are removed and returned to KOA's possession. The rent will be computed for each sign from the day following termination of the Franchise Agreement to the date of return of the sign to KOA's possession.

All monies owed KOA under this Franchise Agreement or any promissory notes (due or not by the note's terms) or other indebtedness shall be paid within ten (10) days of the termination of this Franchise Agreement. All manuals, bulletins, instruction sheets, forms, plans, signs, advertising material, stationery, customer lists, registration receipts, unused or completed, or other material relating to the KOA system shall be returned to KOA by FRANCHISEE. KOA will be entitled to injunctive and equitable relief to include attorney fees and court costs for any violation of the terms and conditions of this paragraph and any and all relief that a court of competent jurisdiction shall see fit to render for a violation thereof. Further, all telephone numbers and other directory advertising shall be transferred to KOA or its assigns. KOA is hereby appointed as FRANCHISEE's irrevocable attorney in fact to accomplish this fact in FRANCHISEE's name. FRANCHISEE agrees to cooperate and execute any documentation necessary to effect the transfer of the number and telephone advertising. FRANCHISEE shall not use the disconnected number(s) at any time thereafter.

10. **AUDIT.** KOA has the right hereunder to an audit made by a public accountant selected by KOA of all books, records and accounts of FRANCHISEE, including FRANCHISEE's bank accounts and tax records. All expenses of such audit will be paid by KOA unless the report of such accounts shows a deficiency in the payment of such royalties or advertising assessment of \$100.00 or more in which case FRANCHISEE will pay the expenses of the audit. The final audit report of such accountant will be conclusive upon the parties, and FRANCHISEE shall pay to KOA within ten (10) days after a copy of such accountant's final report has been delivered to FRANCHISEE, 200% of the amount, if any, shown thereby to be due to KOA.

11. **RIGHT TO PURCHASE.** FRANCHISEE hereby grants to KOA an option to purchase the park/campground to include its land, appurtenances and buildings or any interest or portion thereof on the same terms and conditions that FRANCHISEE may receive via a written offer by a prospective and bona fide purchaser, where such offer is deemed acceptable to FRANCHISEE.

Upon receipt of such an acceptable offer, FRANCHISEE shall send by certified mail to KOA the following: a copy of the offer; a fully executed copy of the buy-sell agreement; a completed Franchise Application Form which includes a current financial statement of the proposed purchaser; a signed affidavit that if KOA declines to exercise its right to match the purchase offer the proposed purchaser will continue to operate the park/campground business as a KOA franchised park/campground business; a current profit and loss statement of FRANCHISEE; a legal description of the park/campground upon which the business is operated; and a list of all personal property and inventory to be transferred. KOA will have thirty (30) days from the receipt of these required documents to respond as to whether or not KOA will exercise its option in writing. This thirty (30) day period will not start to run unless and until KOA receives copies of the above listed documents by the procedure required to give notice herein. If KOA exercises its option, the business and property shall be sold to KOA by FRANCHISEE upon the same terms and conditions as the bona fide offer. The foregoing right to purchase will not apply to real or personal property which is not used in the operation of the campground but is outlined in the legal description attached to this Franchise Agreement. If FRANCHISEE is a corporation, the foregoing right to purchase will also apply to one or more sales or transfers by which an aggregate of 50% or more of the corporation's voting shares shall be beneficially and legally vested in a party or parties who are not shareholders as of the date of this agreement. If KOA elects not to exercise its option granted hereunder, nothing herein will be construed as releasing FRANCHISEE or new franchisee (proposed purchaser) from the continuing obligation to operate a KOA franchised park/campground business and proceeding as required in Paragraph 12. **ASSIGNMENT.** hereof after the transfer of the real property and its improvements. A transfer of the title or franchisee's interest in the underlying real estate will not terminate the Franchise Agreement or shorten the term of performance of this Franchise Agreement.

12. **ASSIGNMENT.** FRANCHISEE shall not sell, assign, transfer, pledge, mortgage, lease, option or in any way encumber this agreement or any right or interest of FRANCHISEE hereunder without the prior written consent of KOA (which consent shall not be unreasonably withheld) nor shall FRANCHISEE suffer or permit any assignment, transfer or encumbrance by judicial process or operation of law. Further, a transfer of the title or franchisee's interest in the underlying real estate will not terminate the Franchise Agreement or shorten the term of the performance of this Franchise Agreement.

In the event that FRANCHISEE requests KOA to consent to the assignment of the Franchise Agreement to a third party, KOA will require that the new franchisee submit an executed Franchise Application Form which includes personal (and corporate) financial statement and such other documents that KOA may reasonably request to assure itself of the creditworthiness and financial stability of the new franchisee.

If KOA consents to any sale, assignment or transfer as provided herein, the new franchisee shall pay to KOA a franchise fee of \$5,000 further outlined in Paragraph 3 of this Franchise Agreement. Upon receipt of the foregoing franchise fee, KOA and proposed franchisee shall enter into a new Franchise Agreement upon the then current and appropriate standard KOA Franchise Agreement. The old Franchise Agreement will be canceled with the exception of any payments due or not otherwise assumed with KOA's approval in the transaction involving FRANCHISEE and new franchisee. See Paragraphs 6. **TERM.** and 11. **RIGHT TO PURCHASE.** as to the continuing obligation to operate a KOA franchised park/campground business.

If FRANCHISEE is a corporation, an assignment under the terms of this paragraph also includes one or more transfers, pledges or mortgages by which an aggregate of 50% or more of the corporation's voting shares will be beneficially and legally vested in or encumbered in favor of a party or parties who are not shareholders of at least 50% of shares as of the date of this agreement.

If FRANCHISEE is an individual, FRANCHISEE may assign this agreement after its effective date to a corporation without the payment of the foregoing transfer fee, provided, however, that FRANCHISEE remains the legal and beneficial owner of at least 51% of all of the voting shares of stock of such corporation during the term of this agreement.

If FRANCHISEE dies, his estate's representative may sell and assign the FRANCHISEE's interest in the Franchise Agreement, or if FRANCHISEE is a corporation and its controlling stockholder shall die, his representative may sell his shares, but not without obtaining the written consent of a KOA officer to a qualified person who will conform to KOA's training requirements and will assume FRANCHISEE's obligations. If the assignment is to a family member, there will be no (franchise) fee, but the family member must sign a then current form of the KOA Franchise Agreement and pay KOA the costs of his training, transportation and other living expenses during training as required by KOA of all of its beginning franchisees. For the purposes of this paragraph, family member is defined and limited to the FRANCHISEE's father, mother, daughter or son. If a transfer occurs outside these specified persons, it will require KOA's written consent to avoid payment of the franchise fee.

13. **ARBITRATION.** Any controversy or claim arising out of or relating to this Franchise Agreement or the breach hereof, except as stated below, will be settled by arbitration in accordance with the Rules of The American Arbitration Association then in effect. The decision of the arbitrator shall, except for mistakes of law, be final and binding upon the parties hereto, and judgment upon

the award rendered by the arbitrator, which will, in the case of damages, be limited to actual damages proven in the arbitration, may be entered in any court having jurisdiction thereof.

There will be a single arbitrator who shall be an existing or former judge of a court of record within the United States or an attorney in good standing admitted to practice for a period of at least ten (10) years within the United States. No arbitration will involve parties other than the parties hereto and their respective successors and assigns or be in any respect binding with respect to any such other parties. The situs of the arbitration will be Billings, Montana unless the state law where the franchised park/campground is situated provides otherwise. In such case(s), the situs will be at the American Arbitration Association's office located in the most populous city of that state.

Except for Paragraph 3.(m) and as below stated all fees and expenses attendant to an arbitration proceeding will be shared pro rata among all parties to the arbitration.

The arbitrator will have no power or authority to diminish KOA's complete and exclusive right, title and interest in its patents, trademarks, service marks, trade names, copyrights and other trade secrets or to vary the terms, conditions or payments which KOA has designated for licensing one or more of the same.

A party wishing to proceed through an action, suit or proceeding with respect to trademarks, service marks, trade names, copyrights or other industrial property rights may do so without limitation, protecting any of the same against infringements and recovering compensation or damages for their use. The prevailing party is entitled to be compensated for its attorney's fees, court costs and other reasonable expenses in any such action.

14. **NON-COMPETITION.** FRANCHISEE agrees that upon the sale of his park/campground business, FRANCHISEE will not operate, own or participate indirectly, as an employee, consultant or investor, another park/campground business, for a period of one (1) year within a fifty (50) mile radius of the franchise territory described in the Franchise Agreement.

15. **RELATIONSHIP OF PARTIES.** The relationship existing between KOA and FRANCHISEE under the terms of this Franchise Agreement will not be deemed to create, nor will any operations performed by any of the parties hereto under this agreement constitute a joint endeavor, joint venture, undertaking, association, partnership, or principal-agent, employer-employee, or trustee-beneficiary relationship of any type. Nothing herein contained shall be deemed to impose upon any party to this Franchise Agreement any responsibility for the obligations herein assumed by the other party to this agreement.

16. **NAME OF KOA KAMPGROUND.** FRANCHISEE shall not adopt or use any name for its park/campground business without first obtaining the written consent of KOA to the use of the desired name. "KOA", "Kampgrounds of America" or any registered mark of KOA may not be used in any corporation, partnership or other business entity's name of the FRANCHISEE.

17. **WAIVERS.** No delay, waiver, omission or forbearance on the part of KOA to exercise any right, option, duty or power arising out of any breach or default by FRANCHISEE or by any other franchisee, of any of the terms, provisions or covenants contained herein, will constitute a waiver by KOA thereof to enforce any such right, option or power as against FRANCHISEE, or as to subsequent breach or default by FRANCHISEE.

18. **PARTIAL INVALIDITY.** Any provision of this agreement prohibited by law or by court decree in any locality or state shall be suspended to the extent of such prohibition without invalidating or affecting the remaining provisions of this agreement, or without invalidating or affecting the provisions of this agreement within states and localities where not prohibited by law or court decree.

19. **PERFORMANCE, INTERPRETATIONS AND FORUM.** It is stipulated that this agreement has been negotiated, executed and delivered within the State of Montana and is to be performed at Billings, Yellowstone County, Montana. This agreement shall be construed and interpreted and the rights and obligations of the parties hereunder governed in accordance with the laws of Montana.

20. **CONSTRUCTION.** All terms and words used in this Franchise Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this agreement or any paragraph or clause herein may require, as if such words had been fully and properly written in the appropriate number and gender. If FRANCHISEE consists of two or more individuals, corporations, associations or other entities, such individuals, corporations, associations or entities will be jointly and severally liable hereunder.

21. **NOTICES.** Any notices or demands required hereunder will be in writing and will be delivered in person or sent by the United States certified mail to the addresses stated herein. The address of either KOA or FRANCHISEE may be changed from time to time by giving written notice in that regard. Notice by mail shall be deemed to have been served when posted in the United States Post Office, postage prepaid.

22. **HEADINGS.** The headings as to the contents of particular paragraphs herein are inserted only for convenience and are in no way to be construed as part of this agreement or as a limitation on the scope of the particular paragraphs to which they refer.

23. **REPRESENTATIONS BY AND RESPONSIBILITIES OF KOA.** No agent or representative of KOA has authority to make any representations, statements, warranties or agreements not herein expressed, including but not limited to development costs, the availability of financing and the costs and availability of land within the franchise territory, it being understood that decisions as to these matters are the sole responsibility of FRANCHISEE. KOA assumes no responsibility for obtaining FRANCHISEE's financing for the construction, development or the success or profitability of the park/campground business franchised hereunder.

24. **MISCELLANEOUS.** Time is of the essence of this agreement. This agreement contains the full and entire agreement between the parties hereto and there are no representations, inducements, promises, agreements, arrangements or undertakings, oral or written, between the parties hereto other than those set forth and duly executed in writing. No agreement of any kind shall be binding upon either party unless and until the same has been made in writing and duly executed by both parties.

25. **VALIDITY AND PAYMENTS.** This franchise agreement is not valid until signed by the FRANCHISEE and by an authorized officer of KOA. All payments required hereunder must be made payable to Kampgrounds of America, Inc. IN WITNESS WHEREOF, the parties hereto have duly executed this Franchise Agreement at Billings, Montana.

FRANCHISEE	KAMPGROUNDS OF AMERICA, INC.
By _____	By _____
By _____	Title _____
Title _____	Date executed by KOA, INC. _____
Date executed by FRANCHISEE _____	

FOR CORPORATE OWNER NOTARIZATION

STATE OF _____)

COUNTY OF _____) :ss.

On this _____ day of _____, 19____, before me the undersigned, personally appeared _____ of the corporation known to me to be the _____ who executed the within instrument and acknowledged to me the execution thereof to be their free act and deed as such officers of the corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL)

Notary Public for the State of _____
My Commission expires _____

FOR INDIVIDUAL OR PARTNERSHIP OWNER NOTARIZATION

STATE OF _____)
COUNTY OF _____)

On this _____ day of _____, 19____, before me the undersigned, personally appeared _____ known to me to be the person(s) described in and who executed the foregoing instrument and he/she (they) each acknowledged before me that he/she (they) executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL)

Notary Public for the State of _____
My Commission expires _____

FOR KOA, INC. NOTARIZATION

STATE OF _____)
COUNTY OF _____)

On this _____ day of _____, 19____, before me the undersigned, personally appeared _____ known to me to be the _____ of Kampgrounds of America, Inc. who executed the within instrument and acknowledged to me the execution thereof to be their free act and deed as such officer(s) of the corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL)

Notary Public for the State of _____
My Commission expires _____

MAP SCRAP

The outlined area on the above portion of the Rand McNally map visually corresponds with the "Franchise Territory" as defined in my Franchise Agreement with Kampgrounds of America, Inc.

INITIALS

KOA Franchise Agreement No. _____Q1
Approved Campground Name _____
Effective Date _____

SCHEDULE FOR NEW KOA KAMPGROUND CONSTRUCTION

The following information outlines the minimum specifications and requirements for new campground development:

- A) 50 sites that meet or exceed KOA specifications. These sites will include:
 - 1) 39 pull-through type Recreational Vehicle Campsites
 - 2) 5 Kamping Kabins
 - 3) 6 Tent Sites
- B) One Kamping Kitchen.
- C) One log main building to be purchased from a KOA approved supplier.
- D) Restroom materials must be approved by KOA for walls, floors, partitions, showers, and fixtures.
- E) A landscaping plan must be submitted for approval and implementation prior to completion and opening of the campground.
- F) All signage must be approved by KOA. Follow the signing schedule on main building supplied with the plans.
- G) Auxilliary buildings must follow the log theme, and approval must be obtained from KOA prior to construction.

FRANCHISEE

KAMPGROUNDS OF AMERICA, INC.

BY: _____ BY: _____

Title: _____ Title: _____

Date Executed by Franchisee

Date Executed by KOA, Inc.

Exhibit A

GUARANTEE OF AGREEMENT

To induce KAMPGROUNDS OF AMERICA, INC., its successors and assigns (jointly and severally hereinafter called "KOA") to enter into a Franchise Agreement ("Agreement") dated _____ with the _____ ("Franchisee"), the undersigned, and for their heirs, devisees, executors, administrators, and other legal representatives (jointly and severally hereinafter sometimes called "Guarantor") warrants to KOA:

- 1) Guarantor is fully satisfied with all the terms, conditions, and provisions of the Agreement and acknowledges receipt of Ten Dollars (\$10.00) cash as partial consideration for entering into this Guarantee of Agreement.
- 2) Guarantor hereby irrevocably guarantees to KOA the due and timely performance by Franchisee of all Franchisee's undertakings and obligations arising under or out of the Agreement to the same full extent as if Guarantor were jointly and severally financially liable with Franchisee for the latter's performance of the Agreement.
- 3) Any provision of such Agreement on arbitration, governing law, the jurisdiction of courts, or the remedies of the parties also shall apply jointly and severally to Guarantor and are made a part of this Guarantee of Agreement as if such provisions here were set out in full.
- 4) At its discretion, KOA may proceed against Guarantor without first proceeding against Franchisee. This Guarantee of Agreement will survive the expiration or termination of the Agreement.

Done at 550 North 31st Street, Billings, MT 59101, this _____ day of _____, 199__.

GUARANTORS

NAME _____

NAME _____

ADDRESS _____

ADDRESS _____

OPTION AGREEMENT

THIS IS AN OPTION AGREEMENT made and entered into this ____ day of _____, 19____, between _____,

whose address is _____ (Seller) and KAMPGROUNDS OF AMERICA, INC. (KOA), A Montana corporation whose address is P.O. 30558, Billings, Montana 59114.

RECITALS

A. Seller owns a campground which consists of the real property, personal property and the licenses, permits and authorities all of which are specifically described in the Campground Sale and Purchase Agreement which is attached hereto as "Exhibit 1" and by this reference made a part hereof.

B. Seller desires to grant to KOA and KOA desires to acquire from Seller an exclusive, irrevocable option to purchase all of Seller's campground business.

C. In consideration of the mutual covenants herein contained the parties enter into the following agreement.

AGREEMENT

1. **Consideration.** KOA has heretofore paid Seller the sum of \$10.00 as consideration for this Agreement the receipt and sufficiency of which is hereby acknowledged.

2. **Option.** Seller hereby grants KOA an exclusive option to purchase Seller's campground business exercisable on or before the ____ day of _____, 19____ in accordance with the terms in the Campground Sale and Purchase Agreement attached hereto as "Exhibit 1".

3. **Condition of Sale.** If KOA exercises this option then the parties shall enter into a Campground Sale and Purchase Agreement on the form attached hereto as "Exhibit 1" dated the date of such exercise. The sale shall thereafter proceed according to the terms of said Campground Sale and Purchase Agreement.

4. **Assignment of Option.** KOA shall at all times have the right to freely assign this option. In the event of any such assignment prior to exercise of this Option the assignee shall have full right to exercise this Option in the same manner as KOA and KOA shall have no further responsibility under this Option or with regard to any sale made pursuant hereto.

5. **Notice.** Notice of exercise shall be in writing and shall be served upon Seller personally or by registered or certified mail, return receipt requested, direct to Seller at the address set forth above. Notice served by mail shall be deemed complete when deposited in the United States post office, postage prepaid. Any change in the address of Seller shall not be effective until served upon KOA in the manner set forth in this paragraph.

6. **Access to Campground Business and Records.** Seller shall give KOA, its counsel, accountants, representatives and assigns reasonable access, during normal business hours throughout the option period, to the campground business and all books and records kept by Seller in connection therewith and all other information concerning the campground business as KOA may reasonably request. KOA shall have the right to expose all information so obtained to any third party. KOA, its representatives or assigns, shall also have the right, at reasonable times, to enter upon the described property for examining or photographing the same and to obtain information relative to the business of Seller conducted thereon.

7. **Time is of the Essence.** Time is of the essence of each and every provision of this Agreement.

8. **Effect of Failure to Exercise Option.** If this Option is not exercised within the time and in the manner provided above it shall terminate and Seller shall retain all moneys paid to it by KOA hereunder which shall be deemed full payment for the Option hereby granted.

9. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their personal representatives and assigns.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the date first above written.

SELLERS

ATTEST:

KAMPGROUNDS OF AMERICA, INC.

BY _____

TITLE _____

TITLE _____

CAMPGROUND SALE AND PURCHASE AGREEMENT

EXHIBIT 1

THIS IS AN AGREEMENT entered into this _____ day of _____, 19____, between _____, whose address is _____ (Seller) and _____, whose address is _____ (Buyer).

1. **Sale.** Seller hereby sells and Buyer hereby purchases all of Seller's campground business known as the _____, including without limitation, the real property described in "Exhibit A" (premises), the personal property described in "Exhibit B" (personal property), and the licenses, permits and authorities described in "Exhibit C" (licenses) together with all good will and trademarks or trade names developed by Seller in connection with its operation of the campground business.

2. **Purchase Price.** The total purchase price is the sum of \$ _____ which shall be paid as follows:

3. **Evidence of Title.** Seller shall, at its own expense, obtain and deliver to Buyer at settlement a title insurance policy in the amount of the purchase price, which policy will show good and merchantable title to all of the premises vested in Seller free and clear of all liens, encumbrances or title defects whatsoever, except those set forth in "Exhibit D". Seller shall also, at its own expense, obtain and deliver to Buyer at settlement evidence satisfactory to Buyer that Seller is the owner of all of the personal property and licenses and that the Seller's title thereto is free and clear of all liens, encumbrances or defects whatsoever, except those set forth in "Exhibit E".

4. **Settlement and Additional Instruments.** Settlement shall take place at a mutually agreeable place at the time specified in this agreement. At or after settlement each party shall execute and deliver to the other party such additional instruments as may, in the opinion of the other party, be reasonably necessary to effectuate the consummation of this Agreement or any part thereof.

5. **Maintenance of Campground Business.** Prior to settlement hereunder Seller shall maintain the premises and the personal property in good condition and shall keep all licenses in full force and effect and shall operate the campground business in a good and business like manner as it was operated prior to the date of this Agreement.

6. **Possession.** Buyer will be entitled to full and complete possession of the premises, personal property and licenses as of the date of settlement. From and after settlement all income from the campground business shall inure to Buyer and all expenses from the campground business shall be paid by Buyer.

7. **Prorations.** The following items shall be prorated between Seller and Buyer on a calendar year basis as of the date of settlement and added to or subtracted from the purchase price: real and personal property taxes for the current year; prepaid fees for occupational licenses or permits which are transferred; prepaid dues to any KOA Owner's Association; prepaid insurance assumed by Buyer; and deposits or prepaid registration fees.

8. **Default.** If Buyer defaults hereunder Seller shall retain the premises, personal property and licenses affected by this Agreement including the Franchise Agreement under which the campground business is now operated. The foregoing remedies are not exclusive of any other remedies in favor of either party should the other party default.

9. **Conveyance.** The Seller shall convey the real property by Warranty Deed, free of all liens and encumbrances except those described in the title insurance policy covering this transaction. The Seller shall convey the personal property by bill of sale.

10. **Entire Agreement.** This Agreement, together with its exhibits, represents the entire Agreement between the parties and there are no representations, warranties or covenants which are not expressly set forth herein or made a part hereof.

11. **Time is of the Essence.** Time is of the essence of each and every provision of this Agreement.

12. **Headings.** Headings as to the contents of particular paragraphs hereunder are inserted for convenience and are in no way to be construed as a part of this Agreement or as a limitation on the scope of the particular paragraphs to which they refer.

13. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Seller and the Buyer and their respective personal representatives and assigns.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the date first above written.

SELLER

WITNESS

BUYER

EXHIBIT A

DESCRIPTION OF REAL PROPERTY INVOLVED

SELLERS

BUYERS

EXHIBIT A OF EXHIBIT 1

EXHIBIT B

DESCRIPTION OF PERSONAL PROPERTY INVOLVED

SELLERS

BUYERS

EXHIBIT B OF EXHIBIT 1

EXHIBIT C

DESCRIPTION OF ALL LICENSES, PERMITS AND AUTHORITIES TO BE TRANSFERRED

ALL OTHER LICENSES AND PERMITS THAT CAN BE TRANSFERRED WITHOUT FURTHER COST TO THE SELLER.

SELLERS

BUYERS

EXHIBIT C OF EXHIBIT 1

EXHIBIT D

DESCRIPTION OF ALL TITLE DEFECTS OF SELLER TO BE EXCEPTED
FROM TITLE WARRANTIES WITH REGARD TO REAL PROPERTY

SELLERS

BUYERS

EXHIBIT D OF EXHIBIT 1

EXHIBIT E

DESCRIPTION OF ALL TITLE DEFECTS OF SELLER TO BE EXCEPTED
FROM TITLE WARRANTIES WITH REGARD TO PERSONAL PROPERTY

SELLERS

BUYERS

EXHIBIT E OF EXHIBIT 1

ASSIGNMENT OF OPTION

THIS IS AN ASSIGNMENT executed and delivered this _____ day of _____, 19____, from KAMPGROUNDS OF AMERICA, INC. (KOA), a Montana corporation whose address is P.O. Box 30558, Billings, Montana 59114

to _____
_____, whose address is _____

_____ (Buyer).

1. **Sale of Option.** In consideration of Buyer's payment to KOA of the amount set forth in paragraph 2, KOA hereby assigns, sells and transfers to Buyer all of its right, title and interest in and to that certain Option Agreement between _____ (Seller) and KOA dated the _____ day of _____, 19____.

2. **Consideration.** As consideration for assignment of the Option, Buyer shall pay to KOA \$_____ in the following manner:

(a) \$_____ upon execution and delivery of this Assignment, receipt of which is hereby acknowledged.

(b) \$_____ when and if the Option hereby assigned is exercised and the sale contemplated thereby is consummated.

3. **Failure of Buyer to Exercise Option or Consummate Sale.** If the Option hereby assigned is not exercised or if the sale contemplated thereby is not consummated then Buyer shall be discharged of its obligation to pay KOA that part of the consideration for this Agreement described in subparagraph 2 (b) above and KOA shall be entitled to retain that part of the consideration for this Agreement described in subparagraph 2 (a) above.

4. **Disclaimer of Warranties and Representations.** It is expressly understood between KOA and Buyer that KOA makes no warranties or representations to Buyer concerning the title, condition, or fitness of the campground business, real property, personal property or licenses affected by the Option hereby assigned. Buyer acknowledges all financial and other information delivered to buyer and pertaining to such campground business, whether delivered by KOA, the owner of the campground business or any other person, was provided by the present owner of the campground business. KOA has not attempted to verify the accuracy or completeness of that information and makes no warranties or representations concerning the accuracy or completeness of the information, all such warranties being those of the present owner.

5. **Arbitration.** Any controversy arising out of this Assignment of Option agreement will be settled by arbitration in accordance with the rules of the American Arbitration Association. The decision of the arbitrator shall be final upon the parties, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrators award shall be limited to actual damages proven in the arbitration. The situs of the arbitration will be in Billings, Montana. There shall be a single arbitrator who shall be an attorney admitted to practice for a period of at least ten years within the United States. The prevailing party shall be entitled to attorney's fees and recovery of all reasonable costs.

6. **If Seller shall default in this agreement,** all monies paid by purchaser hereunder and under the agreement of option shall be returned to purchaser.

The Seller hereby acknowledges the foregoing Assignment of Option and consents to all of the provisions contained within it.

Seller

Date

KAMPGROUNDS OF AMERICA, INC.

By _____

Title _____

Buyer

OWNERS CONDITION STATEMENT

Dated _____ between _____ hereinafter referred to as Owner and KOA, Inc. This report covers the KOA campground located at _____ Franchise # _____.

The campground owner has listed below all known problems with the property, fixtures and equipment. KOA, Inc. requests this information so that prospective purchasers will have full knowledge as to the condition of the property. The items listed below are items that a purchaser may not be able to easily detect in an on-site physical inspection of the property. The Owner warrants to KOA, Inc. and the prospective Purchaser that the items shown below are the only problems of which the Owner is aware.

ANY PROBLEMS?				ANY PROBLEMS?			
	*	**	***		*	**	***
1. Roof	NONE ()	SEE BELOW ()	N/A ()	30. Gasoline Tanks	NONE ()	SEE BELOW ()	N/A ()
2. Electrical	NONE ()	SEE BELOW ()	N/A ()	31. Vehicles	NONE ()	SEE BELOW ()	N/A ()
3. Sewer () Septic ()	NONE ()	SEE BELOW ()	N/A ()	32. Lawn Mowers	NONE ()	SEE BELOW ()	N/A ()
4. Plumbing/drains	NONE ()	SEE BELOW ()	N/A ()	33. Well	NONE ()	SEE BELOW ()	N/A ()
5. Foundations	NONE ()	SEE BELOW ()	N/A ()	34. Well Pump	NONE ()	SEE BELOW ()	N/A ()
6. Drainage	NONE ()	SEE BELOW ()	N/A ()	35. Municipal Water Supply	NONE ()	SEE BELOW ()	N/A ()
7. Construction	NONE ()	SEE BELOW ()	N/A ()	36. Water Softener	NONE ()	SEE BELOW ()	N/A ()
8. Heating System(s)	NONE ()	SEE BELOW ()	N/A ()	37. Encroachments	NONE ()	SEE BELOW ()	N/A ()
9. Hot Water Heater(s)	NONE ()	SEE BELOW ()	N/A ()	38. Easements	NONE ()	SEE BELOW ()	N/A ()
10. Siding	NONE ()	SEE BELOW ()	N/A ()	39. Freezer(s)	NONE ()	SEE BELOW ()	N/A ()
11. Insulation	NONE ()	SEE BELOW ()	N/A ()	40. Trash Compactor	NONE ()	SEE BELOW ()	N/A ()
12. Washers	NONE ()	SEE BELOW ()	N/A ()	41. Dishwasher	NONE ()	SEE BELOW ()	N/A ()
13. Dryers	NONE ()	SEE BELOW ()	N/A ()	42. Disposal	NONE ()	SEE BELOW ()	N/A ()
14. Refrigeration Units	NONE ()	SEE BELOW ()	N/A ()	43. Sprinkler System	NONE ()	SEE BELOW ()	N/A ()
15. Game Machines	NONE ()	SEE BELOW ()	N/A ()	44. Air Condition System	NONE ()	SEE BELOW ()	N/A ()
16. Cash Register(s)	NONE ()	SEE BELOW ()	N/A ()	45. Fireplace	NONE ()	SEE BELOW ()	N/A ()
17. Windows	NONE ()	SEE BELOW ()	N/A ()	46. Skylights	NONE ()	SEE BELOW ()	N/A ()
18. Ventilating Fans	NONE ()	SEE BELOW ()	N/A ()	47. Water Rights	NONE ()	SEE BELOW ()	N/A ()
19. Camp Sites	NONE ()	SEE BELOW ()	N/A ()	48. Range	NONE ()	SEE BELOW ()	N/A ()
20. Roads	NONE ()	SEE BELOW ()	N/A ()	49. Oven	NONE ()	SEE BELOW ()	N/A ()
21. Landscaping	NONE ()	SEE BELOW ()	N/A ()	50. Microwave(s)	NONE ()	SEE BELOW ()	N/A ()
22. Trees	NONE ()	SEE BELOW ()	N/A ()	51. Hood & Exhaust System	NONE ()	SEE BELOW ()	N/A ()
23. Store Fixtures	NONE ()	SEE BELOW ()	N/A ()	52. T.V. Antenna	NONE ()	SEE BELOW ()	N/A ()
24. Operational Permits	NONE ()	SEE BELOW ()	N/A ()	53. Garage Door Opener(s)	NONE ()	SEE BELOW ()	N/A ()
25. Zoning	NONE ()	SEE BELOW ()	N/A ()	54. Wood Stove	NONE ()	SEE BELOW ()	N/A ()
26. Flood Plain	NONE ()	SEE BELOW ()	N/A ()	55. Window Air Conditioners	NONE ()	SEE BELOW ()	N/A ()
27. Fire Codes	NONE ()	SEE BELOW ()	N/A ()	56. Drapery Rods	NONE ()	SEE BELOW ()	N/A ()
28. Termites	NONE ()	SEE BELOW ()	N/A ()	57. Propane	NONE ()	SEE ABOVE ()	N/A ()
29. Pool	NONE ()	SEE BELOW ()	N/A ()	58. _____	NONE ()	SEE ABOVE ()	N/A ()

See attached sheet for additional comments ()

* Check items in this column if there are no known problems.

** Check known or potential problem items in this column. Refer to item number on blank lines and explain problem.

*** Check items in this column if they are not applicable to the campground.

The above description and state of condition of the property, fixtures and equipment are as I find them to be from my experience and after thorough inspection. I ACKNOWLEDGE AND AGREE THAT I SHALL IMMEDIATELY INFORM KOA, INC. OF ANY CHANGE IN SUCH CONDITIONS THAT MAY APPEAR OR BECOME KNOWN TO ME AFTER THIS DATE. I FURTHER INDEMNIFY AND PROTECT KOA, INC. FROM ANY AND ALL CLAIMS ARISING FROM MY FAILURE TO COMPLETELY AND TRUTHFULLY DISCLOSE THE CONDITIONS OF MY PROPERTY AS SET FORTH ABOVE. I HAVE READ THE ABOVE REPRESENTATIONS AND HEREBY EXPRESSLY CONFIRM THEM.

OWNER _____ DATE _____ OWNER _____ DATE _____

The information herein was obtained from the Seller/Owner. KOA makes no representation or guarantee of the accuracy or completeness of the information.

I/we, the undersigned Purchaser(s) have received a copy of this document and agree to take the property "AS IS" unless otherwise provided in the Campground Sale and Purchase Agreement.

PURCHASER _____ DATE _____ PURCHASER _____ DATE _____





Kampgrounds of America, Inc.

AFFIDAVIT OF CURRENT CONDITION

STATE OF _____

:ss

COUNTY OF _____

I, _____, hereby certify under oath that:

1. I am the owner of _____ campground (the "Campground"), KOA Franchise No. _____, located at _____.

2. I am contemplating selling the Campground, which consists of a total of _____ permitted, operating campsites, _____ having sewer, water and electric hook-ups, _____ having water and electric hook-ups, _____ having electrical hook-ups, _____ having water hook-ups and _____ tent sites.

3. The Campground has current and valid local and state zoning operating permits to all facilities.

4. To the best of my knowledge, the condition of the Campground, its structures, and its operations comply with all applicable local, state and federal laws.

5. All financial statements provided to Kampgrounds of America, Inc. or prospective buyers of the Campground in connection with the sale thereof truly and accurately reflect the financial condition and operation of the Campground.

6. All KOA logo signs are in like new condition.

FURTHER AFFIANT SAYETH NOT.

(Campground Owner)

SUBSCRIBED AND SWORN to before
me this _____ day of _____, 199__

Notary Public

Residing at _____

My Commission Expires:

EXHIBIT 4

Table of Contents for Operating Manuals

Number of Pages in this Manual are 278 as of 12/31/95

KAMPGROUNDS OF AMERICA, INC.
OPERATIONS MANUAL
TABLE OF CONTENTS

	<u>Number of Pages for this Subject</u>
1. Camper Relations	18
2. The Front Desk	12
3. Check-In Time	49
4. Reservations	17
5. The Happy Camper	12
6. Recreation	19
7. The Campground Store	9
8. Maintenance and Cleaning	17
9. Employee Relations	38
10. Promoting Your Campground	9
11. Security	15
12. Accounting	47
13. Profit Planning	35
14. Insurance	13
15. Reference Materials Available from KOA	2
<i>This chapter outlines the manuals and videos available from KOA</i>	

Number of Pages in this Manual are 76 as of 12/31/95

KOA AD PLANNER & PROMOTION GUIDE
TABLE OF CONTENTS

	<u>Number of Pages for this Subject</u>
INTRODUCTION	
A letter from KOA	
I. OBJECTIVES	4
II. PUBLIC RELATIONS	12
III. COMMUNITY RELATIONS	5
IV. CUSTOMER RELATIONS	3
V. PROMOTION	8
VI. OUTDOOR ADVERTISING	6
VII. LOCAL ADVERTISING	9
VIII. CAMPGROUND GUIDEBOOKS AND DIRECTORIES	3
IX. PROMOTIONAL LITERATURE	8
X. THE KOA IDENTITY	3
XI. PLANNING FOR PROFIT	11
XII. SELLING YOUR KOA KAMPGROUND	4

Number of Pages in this Manual are 78 as of 12/31/95.

MERCHANDISING MANUAL
TABLE OF CONTENTS

	<u>Number of Pages for this Subject</u>
Merchandise Division Introductory	1
Your Store	1
Measure of Performance	1
Terms Used in Retailing	2
Basic Listings	2
Merchandise Departments	1
Grocery	5
Health & Beauty	2
Household	1
Automotive	2
Sales Opportunities	1
Pricing	1
Markup Guidelines	1
How to Figure Markup	1
Percentage of Business	1
Store Layout/Floor Plan	3
Display	3
Sales Promotions	1
Suggested Promotions and Promotional Efforts	1
Promotions	1
Flyer (example)	2
Reorder Record	1
Markdown	1
Receiving/Pricing/Stocking	2
Help Schedules	1
Customer Service	1
Inventory Control	4
Invoice Register	2
Recapitulation Invoice Register	1
Physical Inventory	2
Sorting Inventory Tickets	1
Inventory Listing	1
Recapitulation	1
Vendor Representatives	1
Shrinkage	1
Vendor Delivery People	2
Pilfering Customers	2
Pilfering Employees	2
Remember Me?	1
The Most Important Person in the Store	1
Base Plans	1
Feature and Tonnage Table Plans	1
Registration Counter Plans	6

	<u>Number of Pages for this Subject</u>
Built-in Registration Rack Plans	1
Roof Effect	1
Plan A (Store Layout)	1
Plan B (Store Layout)	1
Plan C (Store Layout)	1
KOA Log Building #1 (Store Layout)	1
KOA Log Building #2 (Store Layout)	1
Index	1

Number of Pages in this Manual are 27 as of 12/31/95

QUALITY CONTROL

TABLE OF CONTENTS

	<u>Number of Pages for this Subject</u>
1995 Franchise Requirements	2
The Cover Sheet	1/2
The Campground Improvement Summary	1/2
Rest Rooms, Satellite Restrooms & Unisex Restrooms	4
Management & Guest Satisfaction Support	2
Advertising, Campground Entrance & Highway Signage	1
Main Building: Store & Registration Area	3
Disposal Station/Garbage Control, Dog Walk	3
Other Campground Buildings, Grounds, LP Gas	3
Laundry & Satellite Laundry	3
RV Sites	3
Tent Sites	2
Swimming Pool/Sauna/Hot Tubs	3
Recreation: Indoor/Playground/Outdoor Recreation	3
Kamping Kabins®	3
RV Rental	2

Number of Pages in this Manual are 62 as of 12/31/95

CREATING A SECURITY IMAGE

TABLE OF CONTENTS

	<u>Number of Pages for this Subject</u>
INTRODUCTION	8
EVALUATING SECURITY NEEDS (Introduction)	5
RULES AND POLICY	6
CUSTOMER CONTROL AND TRACKING	
CAMPGROUND FACILITY SECURITY	14
DISASTER PLANNING	3
CONCLUSION	1

Number of Pages in this Manual are 38 as of 12/31/95

RESTROOM MATERIAL AND FIXTURE GUIDE
TABLE OF CONTENTS

	<u>Number of Pages for this Subject</u>
FLOORS	4
WALLS AND CEILINGS	4
PLUMBING	10
PARTITIONS	7
ELECTRICAL	4
HANDICAPPED	7
CLEANING	1
FIXTURE & MATERIAL RECORD	1

Number of Pages in this Manual are 31 as of 12/31/95

STANDARDS, POLICY & MAINTENANCE GUIDE
KAMPING KABINS
TABLE OF CONTENTS

	<u>Number of Pages for this Subject</u>
INTRODUCTION	1
Section I--Approved Design	7
Section II--Roofs	2
Section III--Exterior Walls	13
Section IV--Porches and Floor	2
Section V--Interiors	2
Section VI--Beds	3
Section VII--Mechanical	2
Section VIII--General Policies	1
Section IX--Renovation Supply List	1
Section X--Approved Supplier	1

Number of Pages in this Manual are 198 as of 12/31/95

CAMPGROUND DEVELOPMENT MANUAL
TABLE OF CONTENTS

	<u>Number of Pages for this Subject</u>
INTRODUCTION	2
I. KOA-U	3
II. Selecting a Site	7
III. Getting Your Permits	4
IV. Designing Your Campground	21
V. Selecting a Contractor	3
VI. Financing Your Campground	25

	<u>Number of Pages for this Subject</u>
VII. Building Construction	59
VIII. Developing Your Site: Campsites and Grounds	57
IX. Your KOA Store	2
X. Advertising and Promotion	5
XI. Ready, Set, Go!	3
XII. Grand Opening	7

¹ See Table of Contents for Supply Catalog

² See Table of Contents for Local Marketing Manual

³ See Table of Contents for Quality Control Manual

Number of Pages in this Manual are 74 as of 12/31/95

IMAGE RENOVATION

TABLE OF CONTENTS

	<u>Number of Pages for this Manual</u>
INTRODUCTION	3
SECTION 1 Paint and Shingles	2
SECTION 2 Image Restoration	33
SECTION 3 Building Modifications	12
SECTION 4 Entrance Signage	6
SECTION 5 Appendix	17

Number of Pages in this Manual are 239 as of 12/31/95

IMAGE II

GROUND AND AMENITIES

TABLE OF CONTENTS

CHAPTER 1

CAMPGROUND SITES

	<u>Number of Pages for this Manual</u>
TABLE OF CONTENTS	5
1. SITE DESIGN AND DIMENSIONS (Intro)	11
2. CAMPSITE UTILITY RENOVATION (Intro)	8
3. IMPROVING SITE FUNCTION AND DESIGN	49
4. SPECIALIZED SITES	4
5. SITE ACCESSORIES	12
6. PROBLEM SITES	8

CHAPTER II WALKWAYS AND TRAILS

	Number of Pages for this Manual
1. LOCATING	4
2. CONSTRUCTION MATERIALS & TECHNIQUES	10

CHAPTER III RECREATION AREAS

1. POOLS AND SPAS	7
2. PLAYGROUNDS	5
3. OTHER RECREATION AREAS	5

CHAPTER IV COMMON AREAS

1. LANDSCAPING PRIORITY PLAN	1
2. MINI-PARKS	4
3. DESIGNING GROUP AREAS	2

CHAPTER V CAMPGROUND SIGNAGE

INTRODUCTION	1
1. SITE SIGNAGE	1
2. CREATING A COMPLETE SIGNAGE PROGRAM	2

CHAPTER VI LANDSCAPING TIPS AND SOURCE REFERENCE

1. BASIC LANDSCAPING CONCEPTS	3
2. EDGING AND BORDERS	7
3. WEED CONTROL	5
4. SUBSURFACE DRAINAGE	2
5. HARDSCAPING	9
6. LIGHTING	3
7. LOW MAINTENANCE LANDSCAPING	1
8. PLANT MATERIAL	29
9. REFERENCES	5
10. INSERTS	35

EXHIBIT 5

Franchisees Who Have Left the System

Exhibit 5

FRANCHISEES WHO HAVE LEFT THE SYSTEM (1995)

The name and last known home address and telephone number of every franchisee who has an outlet terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with the franchisor within 10 weeks of the application date.

Audrey Reimer
Willcox KOA
700 North Virginia Avenue
Willcox, AZ 85643
#3-172

Gaylord & Colleen Henryson
Story City, IA
Box 66
Story City, IA 50248
#15-106

Terry H. Wallace
Porterville KOA
27798 Highway 190
Porterville, CA 93257
#5-205

Krosswinds Campground & Resort, Inc.
Steven & Pamela Gould
Indian River KOA
561 North Straits Highway
Indian River, MI 49749
#22-114

Trotter Investments, Inc.
Jean Trotter, Pres.
Angels Camp KOA
Route 2, Box 34
Angels Camp, CA 95222
#5-431

Richard Fawk
Iron River KOA
6096 West US-2
Iron River, MI 49935
#22-219

Richard & Bonnie Nichols
Aspen Basalt KOA
Highway 82, Exit 116 off I-70
Box 880
Basalt, CO 81621
#6-146

Ada May Davis
Edwin & Margaret Kennedy
Winnemucca KOA
5255 East Winnemucca
Winnemucca, NV 89445
#28-123

Harold & Carol Diamond
Miami North KOA
14075 Biscaynew Boulevard
North Miami Beach, FL 33181
#9-298

Alfred C. & Carolyn Parr
Pendleton, OR
5408 SW Pacific Boulevard
Albany, OR 97321
#37-186

John & Patricia Farabee
Staunton KOA
Route 1, Box 55
Staunton, IL 62088
#13-155

Milliken Enterprises, Inc.
Arlington KOA
HC 64, Box 290
McFadden, WY 82080
#50-122

EXHIBIT 6

Financial Statements



**KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES**

Consolidated Financial Statements

December 31, 1995, 1994 and 1993

(With Independent Auditors' Report Thereon)

KPMG Peat Marwick LLP

1000 First Interstate Center
401 N. 31st Street
P.O. Box 7108
Billings, MT 59103

Independent Auditors' Report

The Board of Directors
Kampgrounds of America, Inc.:

We have audited the accompanying consolidated balance sheets of Kampgrounds of America, Inc. and subsidiaries as of December 31, 1995, 1994 and 1993 and the related consolidated statements of earnings, stockholder's equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Kampgrounds of America, Inc. and subsidiaries at December 31, 1995, 1994 and 1993, and the results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles.

KPMG Peat Marwick LLP

February 15, 1996

KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES

Consolidated Balance Sheets

<u>Assets</u>	<u>December 31,</u>		
	<u>1995</u>	<u>1994</u>	<u>1993</u>
Current assets:			
Cash and short-term deposits	\$ 5,717,266	2,462,983	843,360
Accounts receivable, less allowance for doubtful accounts of \$18,755 in 1995, \$23,162 in 1994 and \$13,259 in 1993	723,092	532,661	474,419
Notes receivable	469,501	342,731	289,848
Inventories of resale merchandise and supplies, at lower of cost (first-in, first-out) or market	1,286,461	1,172,421	1,603,396
Prepaid expenses	<u>1,550,056</u>	<u>1,222,935</u>	<u>1,267,383</u>
Total current assets	<u>9,746,376</u>	<u>5,733,731</u>	<u>4,478,406</u>
Property and equipment, at cost	30,104,545	29,102,376	28,102,013
Less accumulated depreciation	<u>15,991,591</u>	<u>14,665,794</u>	<u>13,202,219</u>
Net property and equipment	<u>14,112,954</u>	<u>14,436,582</u>	<u>14,899,794</u>
Advances to parent	—	8,300,000	8,300,000
Long-term receivables, less allowance for doubtful accounts of \$79,000 in 1995, \$84,000 in 1994 and \$65,000 in 1993	2,998,979	3,223,156	3,396,762
Other assets, at cost less applicable amortization	<u>221,830</u>	<u>182,993</u>	<u>242,954</u>
	<u>\$ 27,080,139</u>	<u>31,876,462</u>	<u>31,317,916</u>
<u>Liabilities and Stockholder's Equity</u>			
Current liabilities:			
Current installments of long-term debt	5,098	4,569	29,334
Accounts payable and accrued expenses	3,073,269	2,845,649	3,101,687
Due to former shareholders	175,187	175,187	176,164
Franchise deposits	142,579	198,440	147,100
Income taxes payable	106,803	149,973	18,499
Deferred income taxes	373,708	279,999	291,916
Unearned franchise revenue, net of costs	<u>105,723</u>	<u>106,230</u>	<u>112,652</u>
Total current liabilities	<u>3,982,367</u>	<u>3,760,047</u>	<u>3,877,352</u>
Long-term debt, excluding current installments	600,992	606,090	787,064
Deferred income taxes	724,658	704,367	752,450
Advances from affiliate	—	—	2,000,000
Stockholder's equity:			
Common stock of \$0.10 par value. Authorized and issued 10,000 shares	1,000	1,000	1,000
Retained earnings	<u>21,771,122</u>	<u>26,804,958</u>	<u>23,900,050</u>
Total stockholder's equity	<u>21,772,122</u>	<u>26,805,958</u>	<u>23,901,050</u>
Commitments and contingencies			
	<u>\$ 27,080,139</u>	<u>31,876,462</u>	<u>31,317,916</u>

See accompanying notes to consolidated financial statements.

**KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES**

Consolidated Statements of Earnings

	<u>Year Ended December 31,</u>		
	<u>1995</u>	<u>1994</u>	<u>1993</u>
Sales and operating revenues:			
Franchised campgrounds:			
Continuing fees	\$ 7,613,154	7,306,626	7,247,384
Other franchise revenue	<u>1,473,933</u>	<u>1,664,279</u>	<u>1,558,635</u>
	9,087,087	8,970,905	8,806,019
Company-operated campgrounds	15,008,886	14,674,103	15,819,594
Interest income	530,158	446,603	413,544
Gain on disposition of assets	37,164	5,858	459,489
Other	<u>304,736</u>	<u>269,675</u>	<u>198,272</u>
	<u>24,968,031</u>	<u>24,367,144</u>	<u>25,696,918</u>
Costs and expenses:			
Franchised campgrounds	5,904,958	6,022,810	5,690,910
Company-operated campgrounds	13,467,705	13,503,762	14,471,004
Interest expense	<u>72,204</u>	<u>80,664</u>	<u>286,293</u>
	<u>19,444,867</u>	<u>19,607,236</u>	<u>20,448,207</u>
Earnings before income taxes	5,523,164	4,759,908	5,248,711
Income tax expense:			
Current	2,143,000	1,915,000	1,875,000
Deferred	<u>114,000</u>	<u>(60,000)</u>	<u>136,000</u>
	<u>2,257,000</u>	<u>1,855,000</u>	<u>2,011,000</u>
Net earnings	\$ <u><u>3,266,164</u></u>	<u><u>2,904,908</u></u>	<u><u>3,237,711</u></u>

See accompanying notes to consolidated financial statements.

KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES

Consolidated Statements of Stockholder's Equity

Years Ended December 31, 1995, 1994 and 1993

	<u>Common stock</u>		<u>Retained</u>
	<u>Shares</u>	<u>Amount</u>	<u>earnings</u>
Balance at December 31, 1992	10,000	\$ 1,000	20,662,339
Net earnings	<u>—</u>	<u>—</u>	<u>3,237,711</u>
Balance at December 31, 1993	10,000	1,000	23,900,050
Net earnings	<u>—</u>	<u>—</u>	<u>2,904,908</u>
Balance at December 31, 1994	10,000	1,000	26,804,958
Dividend (note 7)	—	—	(8,300,000)
Net earnings	<u>—</u>	<u>—</u>	<u>3,266,164</u>
Balance at December 31, 1995	<u>10,000</u>	\$ <u>1,000</u>	<u>21,771,122</u>

See accompanying notes to consolidated financial statements.

KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES

Consolidated Statements of Cash Flows

	Year Ended December 31,		
	1995	1994	1993
Cash flows from operating activities:			
Net earnings	\$ 3,266,164	2,904,908	3,237,711
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation	1,472,917	1,510,851	1,403,646
Gain on disposition of assets	(37,164)	(5,858)	(459,489)
Changes in operating assets and liabilities:			
Accounts receivable	(190,431)	(58,242)	(12,433)
Notes receivable	97,407	120,723	116,621
Inventories	(114,040)	430,975	(366,175)
Prepaid expenses	(327,121)	44,448	(99,201)
Accounts payable and accrued expenses	227,620	(256,038)	(76,571)
Franchise deposits	(55,861)	51,340	86,550
Income taxes	70,830	71,474	335,847
Unearned franchise revenue	(507)	(6,422)	(4,256)
Other	(38,837)	59,961	(49,921)
Net cash provided by operating activities	<u>4,370,977</u>	<u>4,868,120</u>	<u>4,112,329</u>
Cash flows from investing activities:			
Additions to property and equipment	(1,152,960)	(1,069,146)	(2,904,033)
Proceeds from disposition of assets	<u>40,835</u>	<u>27,365</u>	<u>558,230</u>
Net cash used by investing activities	<u>(1,112,125)</u>	<u>(1,041,781)</u>	<u>(2,345,803)</u>
Cash flows from financing activities:			
Payments to former shareholders	—	(977)	(394)
Advances on line of credit, net of payments	—	—	(646,210)
Advances (payments) from/to affiliate	—	(2,000,000)	2,000,000
Reduction in long-term debt	<u>(4,569)</u>	<u>(205,739)</u>	<u>(2,741,638)</u>
Net cash used by financing activities	<u>(4,569)</u>	<u>(2,206,716)</u>	<u>(1,388,242)</u>
Net change in cash and short-term deposits	3,254,283	1,619,623	378,284
Cash and short-term deposits at beginning of year	<u>2,462,983</u>	<u>843,360</u>	<u>465,076</u>
Cash and short-term deposits at end of year	\$ <u><u>5,717,266</u></u>	<u><u>2,462,983</u></u>	<u><u>843,360</u></u>

See accompanying notes to consolidated financial statements.

KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Years Ended December 31, 1995, 1994 and 1993

(1) Significant Accounting Policies

Nature of Operations

Kampgrounds of America, Inc. and subsidiaries (the Company) is a franchisor of campgrounds in the United States, Canada, Mexico and Japan and provides ongoing support for a system of over 500 franchise locations. The Company also owns and operates 11 campgrounds in various locations mainly in the southeastern United States.

Principles of Consolidation

The Company owns 100% of the following subsidiaries which are included in the consolidated financial statements: Kampgrounds of America (Canada) Ltd., West Advertising, Inc. and Kampgrounds of America - Mexico, Inc. All material intercompany transactions and balances have been eliminated in consolidation.

Cash and Short-term Deposits

In the statement of cash flows, the Company considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

At December 31, 1995, cash and short-term deposits include \$4,614,331 invested in a mutual fund, Short-Term Income Fund, Inc. (Fund). The Fund is managed by Reich & Tang Asset Management L.P.

Notes Receivable

Notes receivable are recorded at cost, less the related allowance for impaired notes receivable. The Company adopted the provisions of Statement of Financial Accounting Standard No. 114, "Accounting by Creditors for Impairment of a Loan," as amended by SFAS No. 118, "Accounting by Creditors for Impairment of a Loan - Income Recognition and Disclosure," on January 1, 1995. Impairment losses are included in the allowance for doubtful accounts through a charge to bad debt expense. The Company recognizes interest income on impaired notes receivable only to the extent that cash payments are received. Prior periods have not been restated.

Prepaid Expenses

Prepaid franchise directory costs are amortized ratably based on royalties received in the year the directory is delivered to franchisees.

Property and Equipment

Property and equipment is stated at cost. The Company provides depreciation for financial reporting using the straight-line method applied over the estimated useful life of the depreciable asset. Accelerated depreciation, where applicable, is provided for income tax reporting. Renewals and betterments are capitalized. Repairs are charged to expense as incurred.

(Continued)

KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Fair Value of Financial Instruments

The Company's financial instruments consist primarily of cash, accounts and notes receivable, accounts payable and long-term debt of which carrying amounts do not significantly differ from fair value.

Self-Insurance Accruals

The Company is self-insured with respect to employee medical claims up to specified limits per claim. The expenses associated with self-insured claims are provided based on estimated amounts required to cover incurred claims. An accrual of approximately \$31,000 is included in "accounts payable and accrued expenses" to provide for estimated incurred but unreported and unsettled claims.

Continuing Fees

The Company records continuing fees as revenue when received from franchisees. Such cash basis recognition does not materially differ from accrual basis recognition.

Income Taxes

The Company and its eligible subsidiaries file consolidated income tax returns with its parent company (see note 7). Taxes are allocated to subsidiaries on a separate return basis.

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

No provision is made for income taxes that would be payable if undistributed earnings of foreign subsidiaries were paid as dividends to the Company since such taxes are immaterial after deductions for available credits.

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(2) Property and Equipment

Property and equipment at December 31 is summarized as follows:

	<u>1995</u>	<u>1994</u>	<u>1993</u>
Campgrounds:			
Land	\$ 3,250,874	3,250,874	3,250,874
Buildings, sites and equipment	24,859,195	24,032,330	23,075,616
Land other than campground	119,468	119,468	119,468
Building, improvements and equipment other than campgrounds	310,141	310,140	310,140
Office furniture and equipment	843,560	794,366	749,703
Leasehold improvements	244,485	156,489	156,489
Other equipment	<u>476,822</u>	<u>438,709</u>	<u>439,723</u>
	<u>\$ 30,104,545</u>	<u>29,102,376</u>	<u>28,102,013</u>

During 1992, several of the Company's campgrounds in Florida were damaged by hurricane Andrew. The campground near Miami was completely destroyed. At December 31, 1992, the Company had received \$250,000 as a preliminary settlement from its insurance carrier. In 1993, the Company received an additional \$550,000 from the insurance carrier in final settlement of the insurance claim. The difference between the insurance proceeds received and the net book value of the assets destroyed and the related cleanup costs has been recorded as a \$458,050 gain on disposition of assets.

(3) Long-Term Debt

Long-term debt at December 31 consists of the following:

	<u>1995</u>	<u>1994</u>	<u>1993</u>
Real estate mortgage loan at 11%, secured by real estate, due in monthly installments of \$5,960 to 2020	\$ 606,090	610,659	614,753
Mortgage loans at various rates, repaid during 1994	<u>—</u>	<u>—</u>	<u>201,645</u>
	606,090	610,659	816,398
Less current installments	<u>5,098</u>	<u>4,569</u>	<u>29,334</u>
	<u>\$ 600,992</u>	<u>606,090</u>	<u>787,064</u>

Maturities of long-term debt for each of the five years subsequent to December 31, 1995 are as follows:

1996	\$ 5,098
1997	5,687
1998	6,346
1999	7,080
2000	7,899
Thereafter	<u>573,980</u>

(Continued)

KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(4) Income Taxes

Income tax expense for the years ending December 31 consists of the following:

	<u>1995</u>	<u>1994</u>	<u>1993</u>
Current:			
Federal	\$ 1,758,000	1,536,000	1,525,000
Foreign	56,000	90,000	68,000
State	<u>329,000</u>	<u>289,000</u>	<u>282,000</u>
	<u>2,143,000</u>	<u>1,915,000</u>	<u>1,875,000</u>
Deferred:			
Federal	95,000	(50,000)	110,000
State	<u>19,000</u>	<u>(10,000)</u>	<u>26,000</u>
	<u>114,000</u>	<u>(60,000)</u>	<u>136,000</u>
	<u>\$ 2,257,000</u>	<u>1,855,000</u>	<u>2,011,000</u>

Income tax expense differs from tax expense computed by applying the U.S. Federal income tax rate to earnings before income taxes for the years ended December 31 as follows:

	<u>1995</u>	<u>1994</u>	<u>1993</u>
Tax at statutory rate	34.0%	34.0%	34.0%
State income taxes, net of Federal tax benefit	4.2	3.9	3.9
Other	<u>2.7</u>	<u>1.1</u>	<u>0.4</u>
	<u>40.9%</u>	<u>39.0%</u>	<u>38.3%</u>

The tax effects of the temporary differences that give rise to significant portions of deferred tax assets and deferred tax liabilities at December 31 follow:

	<u>1995</u>	<u>1994</u>	<u>1993</u>
Deferred tax assets:			
Accrued liabilities	\$ 69,658	64,053	58,601
Allowance for doubtful accounts	<u>35,894</u>	<u>39,597</u>	<u>28,253</u>
Total deferred tax assets	<u>105,552</u>	<u>103,650</u>	<u>86,854</u>
Deferred tax liabilities:			
Property, plant and equipment:			
Differences in depreciation	\$ 427,272	393,551	432,114
Deferred gain on installment sale	297,386	310,816	320,336
Prepaid directory costs	<u>479,260</u>	<u>383,649</u>	<u>378,770</u>
Total deferred tax liabilities	<u>1,203,918</u>	<u>1,088,016</u>	<u>1,131,220</u>
Net deferred tax liability	<u>\$ 1,098,366</u>	<u>984,366</u>	<u>1,044,366</u>

KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(5) Commitments

The Company leases office equipment, office space and two campgrounds in connection with its operations. Rent consists of fixed annual amounts plus contingent rentals under real property leases based on a percentage of gross profit or gross income in excess of stipulated minimums. The campground leases expire in February 1997 and October 1998. Campground revenues for 1995 for the two properties were \$557,534 and \$1,246,438, respectively. All leases are classified as operating leases.

The following schedule sets forth annual future minimum rental payments under those operating leases that have initial or remaining noncancelable lease terms in excess of one year as of December 31, 1995:

1996	\$ 777,775
1997	421,799
1998	93,733
1999	<u>7,320</u>

Total rental expense for the year ending December 31 follows:

	<u>1995</u>	<u>1994</u>	<u>1993</u>
Minimum rentals	\$ 744,323	819,801	783,488
Contingent rentals	<u>36,303</u>	<u>29,904</u>	<u>134,278</u>
	<u>\$ 780,626</u>	<u>849,705</u>	<u>917,766</u>

The Company has an operating lease for kiosk directories used for advertising purposes. The lease payments begin in January 1996 and will total \$212,161 over the lease term of three years. The payments are being deducted from the "2% Advertising Fund" of Kampgrounds of America, Inc. The "2% Advertising Fund" is a separate entity funded by 2% of the campground systems gross registrations. The fund's expenditures are restricted to marketing-related activities.

(6) Benefit Plans

The Company has a discretionary defined contribution pension plan and a salary reduction profit sharing plan under which employees may elect to contribute a percentage of their monthly compensation to a trust. The pension contribution, employees' funds, and a discretionary contribution from the Company, are invested for the accounts of participating employees. The Company's contributions for the pension and salary reduction plans were \$294,654 in 1995, \$278,408 in 1994 and \$324,410 in 1993.

The Company provides selected disability coverage to certain officers. Should an eligible participant's employment be terminated due to poor health or physical disability, the participant is entitled to receive from one to three years salary continuation, determined by the period of employment. The plan provides that payments will continue in the event a participant dies while disabled. These post-termination benefits will be expensed as paid. There were no disability benefits paid during the three years ended December 31, 1995.

(Continued)

KAMPGROUNDS OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(7) Transactions with Affiliates

The Company is a wholly-owned subsidiary of Mid Pacific Air Corporation (Mid Pacific). Mid Pacific is a wholly-owned subsidiary of KOA Holdings Inc. The Company advanced \$8,300,000 to Mid Pacific in prior years. As a result of a restructuring of Mid Pacific, the entire amount was distributed to Mid Pacific in 1995 in the form of a dividend.

During 1993, the Company borrowed \$2,000,000 from KOA Holdings Inc. The balance at December 31, 1993 had been classified as non-current due to the ability of KOA Holdings Inc. to control the repayment terms. The advance, which was non-interest bearing, was repaid in 1994.

At December 31, 1995, 1994 and 1993, income taxes payable includes \$158,000, \$162,620 and \$26,620, respectively, payable to Mid Pacific.

(8) Contingencies

The Company is defendant or co-defendant in certain lawsuits which are covered by insurance or involve inconsequential amounts or which Company management believes are without merit. In the opinion of management, following consultation with legal counsel, any liability or disposition thereof will not have a material adverse effect on the financial position or results of operations of the Company.

(9) Cash Flows

Cash paid during the year ending December 31 for selected items follow:

	<u>1995</u>	<u>1994</u>	<u>1993</u>
Interest	\$ 66,947	80,664	286,293
Income taxes	<u>2,186,170</u>	<u>1,783,526</u>	<u>1,675,153</u>

Noncash financing and investing activities consist of the following:

During 1993, the Company transferred approximately \$415,000 of property held for future development or sale into property and equipment.

During 1995, the Company distributed an \$8.3 million receivable to Mid Pacific in the form of a dividend.

EXHIBIT 7

List of Franchised Outlets

Exhibit 7

LIST OF FRANCHISED OUTLETS

ALABAMA

Enjoyment Unlimited, Inc.
Richard Fogle, President
Birmingham South KOA
222 Highway 33
Pelham, AL 35124
(205) 664-8832

R. V. Villages, Inc.
McCalla/Tannehill KOA
P.O. Box 56
Green Pond, AL 35074
(205) 938-7663

Horace L. Long, Jr.
Mobile North/River Delta KOA
1801 Dead Lake Road
Creola, AL 36525
(205) 675-0320

Byron C. Jackson
Montgomery KOA
250 Fischer Road
Hope Hull, AL 36043
(334) 822-2006

Denise Renee Valentyne
Pensacola/Lillian KOA
33951 Spinnaker Drive
Lillian, AL 36549
(334) 962-2727

ALASKA

Linda Colrud
McKinley KOA
Mile 248.5 Park Hwy 3
Box 340
Healy, AK 99743
(907) 683-2379

ARIZONA

Frank Remick
Ash Fork KOA
9th & Pine, P.O. Box 357
Ash Fork, AZ 86320
(602) 637-2521

Blaise & Anne Rastello
Benson KOA
4 KOA RD, PO Drawer 1060
Benson, AZ 85602-1060
(520) 586-3977

ARIZONA (contl.)

Frank & Beverly Bailey
Black Canyon City KOA
Exit 242 off I-17, Box 569
Black Canyon City, AZ 85324
(602) 374-5318

Jack Denton
Flagstaff KOA
5803 North Highway 89
Flagstaff, AZ 86004
(602) 526-9926

Alan & Judy Spicer
Grand Canyon/Williams KOA
KOA Drive
N. Arizona Hwy 64
Williams, AZ 86046
(602) 635-2307

Richard & Linde Carter
Holbrook KOA
102 Hermosa Drive
Holbrook, AZ 86025
(602) 524-6689

Gary & Caroline Palmquist
Kingman KOA
3820 N. Roosevelt Avenue
Kingman, AZ 86401
(602) 757-4397

Mike & Rosemary Mortenson
Mesa/Apache Junction KOA
1540 South Tomahawk Road
Apache Junction, AZ 85220
(602) 982-4015

Ronald & Marlene Brice
Payson KOA
P.O. Box 2279
Payson, AZ 85547
(520) 474-8388

Marilyn Beban, General Partner
Phoenix West KOA
1440 North Citrus
Buckeye, AZ 85326
(602) 853-0537

Gerald & Frankie Cross
Picacho/Tucson KOA
18428 Picacho Boulevard
Picacho, AZ 85241
(520) 466-7401

ARIZONA (contl.)

Jim & Sandra Baugh
Seligman KOA
East Highway 66
P.O. Box 156
Seligman, AZ 86337
(602) 422-3358

Jim & Lu Proll
Tombstone KOA
Highway 80, Box 99 K
Tombstone, AZ 85638
(602) 457-3829

Albert & Barbara Barany
Williams/Circle Pines KOA
1000 Circle Pines Road
Williams, AZ 86046
(602) 635-4545

ARKANSAS

Dolores Crissman
Arkadelphia KOA
221 Frost Road
Arkadelphia, AR 71923
(501) 246-4922

Ken & Jane Shonka
Eureka Springs KOA
Route 2, Box 331, Hwy 187
Eureka Springs, AR 72632
(501) 253-8036

Darrell & Helen Phillips
Fort Smith/Alma KOA
3539 North Hwy 71
Alma, AR 72921-9533
(501) 632-2704

George & Anita Barrett
Hot Springs National Park KOA
838 McClendon Road
Hot Springs, AR 71901
(501) 624-5912

Arkansas Rec. Kampgrounds, Inc.
Jane Rod, President
Little Rock North KOA
7820 Crystal Hill Road
North Little Rock, AR 72118
(501) 758-4598

ARKANSAS (contl.)

J.J. & Margaret Magie
Morrilton/Conway KOA
Exit 107 off I-40
Route 1, Box 270-30
Morrilton, AR 72110
(501) 354-8262

Joe & Dera Keen
Rogers KOA
15170 E. Highway 62, Box 456
Rogers, AR 72757-0456
(501) 451-8566

Robert B. & Janet Park
Texarkana KOA
Route 8, Box 254
Texarkana, AR 71854
(501) 772-0751

Shell-Ark, Inc.
James W. Meador, President
West Memphis/Shell Lake KOA
I-40 at State 149, Route 1
Earle, AR 72331
(501) 657-2422

CALIFORNIA

(Note 1) Anaheim KOA
1221 South West Street
Anaheim, CA 92801-2363
(714) 533-7720

Kenneth & Diane Miltenberger
Bill & Doris Hayes
Auburn KOA
3550 KOA Way
Auburn, CA 95602
(916) 885-0990

Silver Lakes Properties, Inc.
(Planned)
Willis Herron
P.O. Box 130
Baker, CA 92309
(619) 733-4375

Ron & Kathy Miller
Bakersfield KOA
5101 East Lerdo Highway
Shafter, CA 93263
(805) 399-3107

CALIFORNIA (contl.)

Robert & Doris Moore
Barstow/Calico KOA
35250 Outer Highway I-15 North
Box 967
Yermo, CA 92398
(619) 254-2311

Pamela Mendala & George Pfister
Cloverdale KOA
River Road off Highway 101
Box 600
Cloverdale, CA 95425
(707) 894-3337

Eric & Patricia Lund
Crescent City KOA
4241 Highway 101 North
Crescent City, CA 95531
(707) 464-5744

Gary L. Bechtold & G.W. Faulkner
Eureka KOA
4050 North Highway 101
Eureka, CA 95503-9415
(707) 822-4243

Fortuna RV Park, Inc.
Jim Eddy
Fortuna KOA
1660 Kenmar Road
Fortuna, CA 95540
(707) 725-3359

William H. & Cynthia Ballinger
Isabella Lake KOA
15627 Highway 178
HC 1, Box 2255
Weldon, CA 93283
(619) 378-2001

P & O Associates
Philip Poulen
Lake Tahoe South Shore KOA
760 North Highway 50
P.O. Box 11552
Tahoe Paradise, CA 96150
(916) 577-3693

Mervin D. & Elaine Neufeld
Lost Hills KOA
P.O. Box 276
I-5 & Highway 46
Lost Hills, CA 93249
(805) 797-2719

Gary & Elaine Klein
Manchester/Mendocino Coast KOA
P.O. Box 266
44300 Kinney Road
Manchester, CA 95459
(707) 882-2375

CALIFORNIA (contl.)

Ray & Robin Merlo
Mount Shasta City KOA
191 Hartnell
Redding, CA 96002
(916) 926-4029

Fritz & Becky Bailey
Needles KOA
5400 Nat'l Old Trails Highway
Route 4, Box 175
Needles, CA 92363
(619) 326-4207

Anthony "Laury" & Barbara
Lauricella
Orland KOA
4515 County Road H.
Orland, CA 95963-8112
(916) 865-9188

John & Cindy Simoneau
Placerville KOA
4655 Rock Barn Road
Shingle Springs, CA 95682
(916) 676-2267

MAR-VIC. James Martin
& Dixie Vickers
Redding KOA
280 North Boulder Drive
Redding, CA 96003
(916) 246-0101

The Capris Group, Inc.
Arlan K. Deutsch, President
Loomis KOA
3945 Taylor Road, Box 868
Loomis, CA 95650
(916) 652-6737

Ralph & Dixie Kitchell
Sacramento Metro KOA
3951 Lake Road
West Sacramento, CA 95691-3487
(916) 371-6771

Eagle Land Co.
John Gordon, President
San Bernardino KOA
1707 Cable Canyon Road
San Bernardino, CA 92407
(909) 887-4098

Kampground Enterprises, Inc.
Mike Bell, President
San Diego Metro KOA
111 North 2nd Avenue
Chula Vista, CA 91910
(619) 427-3601

Note 1: Franchisor owned campground

CALIFORNIA (conti.)

William W. & Judith C. Wood
San Francisco N/Petaluma KOA
20 Rainsville Road
Petaluma, CA 94952
(707) 763-1492

Robert & Shirley Place
San Juan Bautista/San Jose KOA
900 Anzar Road
San Juan Bautista, CA 95045
(408) 623-4263

(Note 1) Santa Cruz KOA
Santa Cruz/Monterey Bay KOA
1186 San Andreas Raod
Watsonville, CA 95076
(408) 722-0551

Mr. Rex Jacobsma
Santa Margarita KOA
4765 Santa Margarita Lake Road
Santa Margarita, CA 93453
(805) 438-5618

John & Linda Evans
Shingletown/Lassen Park KOA
7749 KOA Road
Shingletown, CA 96088
(916) 474-3133

Bill & Beverly Eavenson
Stockton/Lodi KOA
2851 East 8 Mile Road
Lodi, CA 95240
(209) 334-0309

Kampgrounds of California, Inc.
Denny Steelman, President
Victorville KOA
16530 Stoddard Wells Road
Victorville, CA 92392
(619) 245-6867

Joe & Lois Trevino
Visalia/Fresno South KOA
7480 Avenue 308
Visalia, CA 93291
(209) 651-0544

Terry & Connie Ruzicka
Willits/Ukiah KOA
1600 Highway 20
P.O. Box 946
Willits, CA 95490
(707) 459-6179

Note 1: Franchisor owned campground

CALIFORNIA (conti.)

Neal & Candy O'Donel-Browne
Yosemite/Mariposa KOA
6323 Highway 140
Midpines, CA 95345
(209) 966-2201

COLORADO

Yogi Chaudhry
Alamosa KOA
6900 Juniper Lane
Alamosa, CO 81101
(719) 589-9757

Doug & Ruth Ann Dick
Denver S/Castle Rock KOA
6527 South I-25
Castle Rock, CO 80104
(303) 681-3169

KNC, Inc.
Norman & Kathleen Condreay
Central City/Blackhawk KOA
661 Highway 46
Golden, CO 80403
(303) 582-9979

Robert & Sandra Speight
Colorado Springs South KOA
8100 Bandle Drive
Fountain, CO 80817
(719) 382-7575

Nolan Enterprises, Inc.
Cortez/Mesa Verde KOA
27432 East Cortez Highway 160
Cortez, CO 81321
(303) 565-9301

Gerald & Jeanne Holdren
Cotopaxi/Loma Linda KOA
21435 U.S. Highway 50
P.O. Box 387
Cotopaxi, CO 81223
(719) 275-9308

Craig Kampgrounds, Inc.
Laurie Rhoads
Craig KOA
2800 East U.S. Highway 40
Craig, CO 81625
(303) 824-5105

Gaylen D. & Jane J. Bachman
Cripple Creek KOA
2576 County Road #81
Cripple Creek, CO 80813
(719) 689-3376

COLORADO (conti.)

Robert E. & Janet H. Parker
Delta/Grand Mesa KOA
1675 Highway 92
Delta, CO 81416
(303) 874-3918

Neal & Ruby Pontius
Denver NE KOA
Exit 13-CO52, Box 445
Hudson, CO 80642
(303) 536-4763

Jim & Sharon Strange
Denver East/Strasburg KOA
1312 Monroe Street
P.O. Box 597
Strasburg, CO 80136
(303) 622-9274

John Harvey
Durango N/Ponderosa KOA
13391 CR 250
Durango, CO 81301
(303) 247-4499

Jay & Carol Coates
Durango E/Pinon Acres KOA
30090 US Highway 160 East
Durango, CO 81301
(303) 247-0783

John & Mary Halstvedt
Estes Park KOA
Highway 34 East, Devil's Gulch Rt
Estes Park, CO 80517
(303) 586-2888

Guenter & Theresa Kippschull
Fort Collins KOA
6670 North Highway 287
P.O. Box 600
Laporte, CO 80535
(303) 493-9758

Guenter Kippschull
Fort Collins N/Wellington
4821 East County Road 70
P.O. Box 130
Wellington, CO 80549
(303) 568-7486

Paul & Sally Regan
Grand Junction/Clifton KOA
3238 E. I-70 Business Loop
Clifton, CO 81520
(303) 434-6644

COLORADO (conti.)

Norman L. & Karen L. Achziger
Gunnison KOA
1 Mile SW of Gunnison, Box 1144
Gunnison, CO 81230
(303) 641-1358

Henry G. & Margaret Rogers
La Junta KOA
26680 Highway 50
La Junta, CO 81050
(719) 384-9580

William Rich
Lamar KOA
5385 Highway 50
Lamar, CO 81052
(719) 336-7625

James & Kay McCormick
Limon KOA
575 Colorado Avenue, Box 157
Limon, CO 80828-0117
(719) 775-2151

Kenneth & LaVerne Rodda
Montrose KOA
200 North Cedar Avenue
Montrose, CO 81401
(303) 249-7746

Carol Richards & Elizabeth Rosgen
New Castle/Glenwood Springs KOA
0581 County Road 241
New Castle, CO 81647
(303) 984-2240

Jerry & Dorothy Hampton
North Park/Gould/Walden KOA
20 miles SE Walden on CO 14
SR Box 90 A
Walden, CO 80480
(303) 723-4310

David Brunovsky
Ouray KOA
P.O. Box J
Ouray, CO 81427
(303) 325-4736

Rolland & Genet Anderson
Pueblo KOA
4131 I-25 North
Pueblo, CO 81008
(719) 542-2273

COLORADO (conti.)

Richard & Roxie Taylor
Pueblo S/Colorado City KOA
9040 I-25 South
Pueblo, CO 81004
(719) 676-3376

Gaylen & Jane Bachman
Royal Gorge/Canon City KOA
559 County Road 3A/8 Mile Road
Box 528
Canon City, CO 81212
(719) 275-6116

Michael & Turid Sabia
Steamboat Springs KOA
29135 West US 40
Steamboat Springs, CO 80487
(303) 879-0273

FLORIDA

Joy Fussell
Chattahoochee KOA
Route 1, Box 1248
Chattahoochee, FL 32324
(904) 442-6657

Betty McGraw Enterprises, Inc.
Clearwater/Tarpon Springs KOA
37061 US 19 North
Palm Harbor, FL 34684
(813) 937-8412

Central Florida Realty Invstmnts, Inc.
William Clark
Deland/Orange City KOA
1440 East Minnesota Avenue
Orange, FL 32763
(904) 775-3996

Gary & Doris Patient
Daytona S/New Smyrna Beach KOA
1300 Old Mission Road
New Smyrna Beach, FL 32168
(904) 427-3581

(Note 1) Everglades/Homestead
KOA
20675 SW 162nd Avenue
Miami, FL 33187
(305) 233-5300

(Note 1) Fiesta Key KOA
Mile Marker 70
P.O. Box 618
Long Key, FL 33001-0618
(305) 664-4922

Note 1: Franchisor Owned Campground

FLORIDA (conti.)

(Note 1) Sugarloaf Key KOA
P.O. Box 469
Summerland Key, FL 33042-0469
(305) 745-3549

Kirk Paige
Ft. Myers/Pine Island KOA
5120 Stringfellow Road
St. James City, FL 33956
(813) 283-2415

Harold & Janice White
Jacksonville N/Kingsland KOA
1521 Scrubby Bluff Road
Kingsland, GA 31548
(912) 729-3232

Terry Shade
Kissimmee KOA
4771 W Irlo Bronson Memorial
Hwy
Kissimmee, FL 34746
(407) 396-2400

Ed & Blanche Crockett
Lake City North KOA
Route 16, Box 243
Lake City, FL 32055
(904) 752-9131

S S Associates of Clewiston, Inc.
Lake Okeechobee/Clewiston, FL
Off US 27 on SR 720
Route 2, Box 242
Clewiston, FL 33440
(813) 983-7078

(Note 1) Naples KOA
1700 Barefoot Wms. Road
Naples, FL 33962
(813) 774-5455

(Note 1) Ocala KOA
Ocala/Silver Springs KOA
3200 SW 38th Avenue
Ocala, FL 34474
(904) 237-2138

(Note 1) Okeechobee KOA
4276 Highway 441 South
Okeechobee, FL 34974
(813) 763-0231

Pioneers, Inc.
John Fletcher, President
Orlando SE KOA
12343 Narcoossee Road
Orlando, FL 32827
(407) 277-5075

FLORIDA conti.

Campers Inn, Inc.
Panama City Beach KOA
8800 Thomas Drive
Panama City, FL 32408
(904) 234-5731

Alain Hackstaff & Linda Humphreys
Punta Gorda KOA
6800 Golf Course Boulevard
Punta Gorda, FL 33982
(813) 637-1188

Good Ole Daze Campground Inc.
E.J. "Vince" & Carolyn Vincent
St. Augustine/Jacksonville S KOA
9950 KOA Road
St. Augustine, FL 32095
(904) 824-8309

Elliott & Diane Smith
St. Augustine Beach KOA
525 West Pope Road
St. Augustine, FL 32084
(904) 471-3113

(Note 1) St. Petersburg KOA
5400 95th Street North
St. Petersburg, FL 33708
(813) 392-2233

Raymond J. & Vivian J. Rignola
Starke KOA
1475 South Walnut Street
Starke, FL 32091
(904) 964-8484

Carlton G. & Marilyn H. Muller
Stephen J. Muller
Old Town/Suwanee River KOA
Box 460, Star Route 349
Old Town, FL 32680
(904) 542-7636

Outback Time, Inc.
Dick Spinneweber
Tallahassee E/Monticello KOA
Route 3, Box 25
Monticello, FL 32344
(904) 997-3890

John & Karen Siscoe
Tampa East KOA
12870 Highway 92
Dover, FL 33527
(813) 659-2202

FLORIDA conti.

Dean Madison
Titusville KOA
4513 West Main Street
Mims, FL 32754
(407) 269-7361

Stan & Shirley Kahn
Vero Beach KOA
8850 North US 1
P.O. Box 337
Wabasso, FL 32970
(407) 589-5665

Leon Unterhalter
West Palm Beach KOA
P.O. Box 16066
West Palm Beach, FL 33416-6066
(407) 793-9797

Ernst & Paulita Gross
Wildwood KOA
882 East SR 44
Wildwood, FL 34785
(407) 299-4616

GEORGIA

P.F.C. Realty & Development
Hoyle Conner, V.P.
Atlanta North KOA
Route 4, 2000 Old US 41
Kennesaw, GA 30144
(404) 427-2406

S. Atlanta Mgt. Grp, Inc.
Ardeth Camp
Atlanta South KOA
281 Mt. Olive Road
McDonough, GA 30253
(770) 957-2610

Breff Inc.
Jeffrey Jacobsen, President
Calhoun KOA
2523 Redbud Road N.E.
Calhoun, GA 30701
(706) 629-7511

Ms. Dellinger, Mr. Choate, Mr. Ingram
Cartersville/Cassville-White KOA
Route 3, Cassville-White Road
Cartersville, GA 30120
(770) 382-7330

James S. Camarata
Chattanooga West KOA
Route 1, Box 490, Slygo Road
Trenton, GA 30752
(706) 657-6815

GEORGIA conti.

William & Janet Mullen
Commerce KOA
5473 Mt. Olive Road
Commerce, GA 30529
(706) 335-5535

Perlis Truck Terminal, Inc.
Lamar J. Perlis
Cordele KOA
373 Rockhouse Road
Cordele, GA 31015
(912) 273-5454

Middle Georgia Kampgrounds, Inc.
Robert Herndon
Forsyth KOA
I-75 Frontage Road, PO Box 781
Forsyth, GA 31029
(912) 994-2019

The Sommers Company
J.M. Sommers, President
Savannah KOA
Exit 14 off I-95, S. US 17, Box 309
Richmond Hill, GA 31324
(912) 756-3396

IDAHO

David & Jeanie Granger
Boise KOA
7300 East Federal Way
Boise, ID 83706
(208) 345-7673

David & Karen Stryker
Coeur D'Alene KOA
E 10700 Wolf Lodge Bay Road
Coeur D'Alene, ID 83814
(208) 664-4471

Pete & Dawn Charbonneau
Hayden Lake/Coeur d'Alene KOA
Route 3, Box 62 R
Hayden Lake, ID 83835
(208) 772-4557

Richard & Kay Feeney
Idaho Falls KOA
1440 Lindsay Boulevard
Idaho Falls, ID 83402
(208) 523-3362

Lawson & Karen Williams
Montpelier KOA
89 North, Box 87
Montpelier, ID 83254
(208) 847-0863

Note 1: Franchisor Owned Campground

IDAHO conti.

Don Secrist
Mountain Home KOA
220 East 10th North
Mountain Home, ID 83647
(208) 587-5111

Bruce & Betty Holmes
Pinehurst KOA
I-90 Exit 45, P.O. Box 949
Pinehurst, ID 83850
(208) 682-3612

Maurice & Lorraine Dicaire
Pocatello KOA
9815 West Pocatello Creek Road
Pocatello, ID 83201
(208) 233-6851

Mrs. Bob Wieber
Sandpoint KOA
100 Sagle Road
Sandpoint, ID 83864
(208) 263-4824

Robert & Barbara Tanner
Twin Falls/Jerome KOA
5431 US 93
Route 4, Box 4250
Jerome, ID 83338
(208) 324-4169

ILLINOIS

Gary & Diana Sanders
Benton KOA
Route 1, North Duquoin Street
Benton, IL 62812
(618) 439-4860

Bob & Jeanie Wolf
Bloomington/Carlock KOA
Route 1, Box 139
Carlock, IL 61725
(309) 376-4411

Gene & Patricia Shanks
Casey KOA
P.O. Box 56, I-70 Exit 129
Casey, IL 62420
(217) 932-5319

Norman R. & Bonnie M. Sloan
Chicago/Marengo KOA
8404 South Union Road
Union, IL 60180
(815) 923-4206

ILLINOIS conti.

N.B. Inc.
Nam Joo Bang, President
Kankakee South KOA
425 East 6000 S. Road
Chebanse, IL 60922
(815) 939-4603

Dennis & Virginia Lazar
LaSalle-Peru KOA
R.R. 1
Utica, IL 61373
(815) 667-4988

Bonnie Phillips & Dennis Drake
Lena KOA
10982 US Hwy 20W, Box 278
Lena, IL 61048
(815) 369-2612

Recreation Properties Inc.
Susan Woods, President
Springfield KOA
R.R. 2, Box 49
Rochester, IL 62563
(217) 498-7002

Dennis A. Ramsey
Vandalia KOA
R.R. #2, Box 55A
Brownstown, IL 62418
(618) 427-5140

John Cuvar
Northeast/I-270-Granite City KOA
3157 West Chain of Rocks Road
Granite City, IL 62040
(618) 931-5160

INDIANA

Bryce & Rhea Treadwell (Planned)
Auburn South KOA
2551 County Road 60
Auburn, IN 46706
(219) 925-5614

Francis & Dorothy Moser
Brown County/Nashville KOA
2248 East State Road 46
Nashville, IN 47448
(812) 988-4475

Richard Nelson
Crawfordsville KOA
1600 Lafayette Road
Crawfordsville, IN 47933
(317) 362-4190

INDIANA (conti.)

George & Carole Pietrzak
Elkhart Co/Middlebury KOA
52867 State Route 13
Middlebury, IN 46540
(219) 825-5932

A-D, Inc.
Alan J. & Donna Read
Indianapolis Northeast KOA
5896 West 200 North
Greenfield, IN 46140
(317) 894-1397

James & Audrey Eberhart
Richmond KOA
3101 Cart Road
Richmond, IN 47374
(317) 962-1219

Terry & Beverlee Marsh
South Bend East KOA
50707 Princess Way
Granger, IN 46530
(219) 277-1335

Michael & Linda Glossop
Terre Haute KOA
R.R. 27, Box 58
Terre Haute, IN 47802
(812) 232-2457

IOWA

Howard & Katie Hudson
Des Moines West KOA
3418 "L" Avenue
Adel, IA 50003
(515) 834-2729

Jon & Susan Marshall
Onawa KOA
Route 2, Box 162
Onawa, IA 51040
(712) 423-1633

Richard & Ella Mae Gandt
West Liberty KOA
1961 Garfield Avenue
West Liberty, IA 52776
(319) 627-2676

KANSAS

Jack & Ruth Jaro
Fort Scott KOA
R.R. 3
Fort Scott, KS 66701
(316) 223-3440

KANSAS conti.

Lyle & Donna Johnson
Garden City KOA
4100 East Highway 50
Garden City, KS 67846
(316) 276-8741

Dale & Walene Neill
Goodland KOA
Route 2, 1114 East Highway 24
Goodland, KS 67735-9305
(913) 899-5701

Robert Oyler
Lawrence/Kansas City KOA
1473 Hwy 40
Lawrence, KS 66044
(913) 842-3877

Dennis & Vicky Stutzman
Salina KOA
1109 West Diamond Drive
Salina, KS 67401
(913) 827-3182

Leota Coon
Topeka Kansas KOA
E US 24, Mile marker 374
1 1/4 mile N, Route 1
Grantville, KS 66429
(913) 246-3419

Fred A. & Sue A. Wallace
Wakeeney KOA
Exit 127, I-70 & US 283, Box 235
Wakeeney, KS 67672
(913) 743-5612

Richard McCue
Wellington KOA
R.R. 1, US 160
Wellington, KS 67152
(316) 326-6114

Larry Rowe
Wichita KOA
15520 Maple Avenue
Goddard, KS 67052
(316) 722-1154

KENTUCKY

S.D. & Barbara Woodrum
Aurora KOA
R.R. 1
Aurora, KY 42048
(502) 474-2778

KENTUCKY (conti.)

James & Dana Zeghers
Bowling Green KOA
1960 Three Springs Road
Bowling Green, KY 42101
(502) 843-1919

Joseph Puglia, Inc.
Campbellsville KOA
8757 New Columbia Road
P.O. Box 477
Campbellsville, KY 42719-0477
(502) 465-3916

Barry & Dolores Graeler
Corbin KOA
171 East City Dam Road
Corbin, KY 40701
(606) 528-1534

Lawrence & Carol Jeziorowski
Elizabethtown KOA
209 Tunnel Hill Road
Elizabethtown, KY 42701
(502) 737-7600

Ditco Industries
Clyde A. Dittbenner
Franklin KOA
2889 Scottsville Road
P.O. Box 346
Franklin, KY 42135
(502) 586-5622

Bale, Ferris, Edwards, Inc.
Janice Bybee, President
Horse Cave KOA
Highway 218, Interstate 65
P.O. Box 87
Horse Cave, KY 42749
(502) 786-2819

Louisville N. Campground, Inc.
Louisville Metro KOA
900 Marriott Dr.
Clarksville, IN 47130
(812) 282-4474

Nichols & Phyllis Costino
Louisville South KOA
2433 Highway 44 East
Shepherdsville, KY 40165
(502) 543-2041

Jay & Mary Wilson
Kentucky Lake Dam/Paducah KOA
Route 3, Box 192
Calvert City, KY 42029
(502) 395-5841

KENTUCKY (conti.)

Blair Properties, Inc.
Cincinnati South KOA
P.O. Box 339
Crittenden, KY 41030
(606) 428-2000

James & Margaret MacDonald
Richard & Ada Sue McPeak
Renfro Valley KOA
Redfolley Road, US 25
P.O. Box 54
Renfro Valley, KY 40473
(606) 256-2474

Charles & Kathleen Peck
Russell Springs KOA
1440 Highway 1383
Russell Springs, KY 42642
(502) 866-5616

LOUISIANA

John D. Verzwylvelt
Alexandria West KOA
64 Kisatchie Lane
On Kincaid Lake
Boyce, LA 71409
(318) 445-5227

Bacot Enterprises, Inc.
Sam & Louise Bacot
Baton Rouge East KOA
7628 Vincent Road
Denham Springs, LA 70726
(504) 664-7281

Jerry & Carol Cobb (Planned)
Gibson LA KOA
6015 Bayou Black Dr.
Gibson, LA 70350
(504) 575-3291

Edgar J. Alleman
Lafayette KOA
537 Apollo Rd.
Scott, LA 70583
(318) 235-2739

Vinton Kampground, Inc.
Don & Penny Dupre
Lake Charles/Vinton KOA
1514 Azema
Vinton, LA 70668
(318) 589-2300

LOUISIANA (conti.)

John Galbraith
New Orleans/Hammond KOA
14154 Club Deluxe Road
Hammond, LA 70403
(504) 542-8094

D.A. de la Houssaye
New Orleans East KOA
56009, Highway 433
Slidell, LA 70461
(504) 643-3850

Charles & Marianne Fedderman
New Orleans West KOA
11129 Jefferson Highway
River Ridge, LA 70123
(504) 467-1792

Robert & Louise Campbell
Shreveport KOA
6510 West 70th Street
Shreveport, LA 71129
(318) 687-1010

MAINE

Albert & Carolann Labossiere
Augusta/Gardiner KOA
Route 1, Box 2410
Gardiner, ME 04345
(207) 582-5086

Frank & Sylvia Kelley
Saco/Portland South KOA
814 A Portland Road
Saco, ME 04072
(207) 282-0502

Thomas & Susan Kennedy
Skowhegan/Canaan KOA
P.O. Box 87, Route 2
Canaan, ME 04924
(207) 474-2858

MARYLAND

John & Judi Durham
Hagerstown/Washington DC NW
KOA
11759 Snug Harbor Lane
Williamsport, MD 21795
(301) 223-7571

Foxwell, Inc.
Vaughn & Helen Foxwell
Capitol KOA/Washington D.C., NE
768 Cecil Avenue
Millersville, MD 21108
(410) 923-2771

MASSACHUSETTS

Ted W. & Maureen Nussdorfer
Concord/Salem KOA
Box 2122, 264 Ayer Road
Littleton, MA 01460
(508) 772-0042

Art & Florence Johnston
Boston/Wrentham KOA
1095 South Street
P.O. Box 505
Wrentham, MA 02093
(508) 384-8930

Bill & Kay Nicholson
Plymouth Rock KOA
Box 616, Route 44
Middleboro, MA 02346
(508) 947-6435

Mike & Eileen & Gregory Finamore
Webster/Sturbridge KOA
108 Douglas Road, Route 16
Webster, MA 01570
(508) 943-1895

Steve & Melinda Lazor
West Granville KOA
Route 57
West Granville, Ma 01034
(413) 357-6494

MICHIGAN

Ginter & Ursela Bansen
Benton Harbor/St. Joseph KOA
3527 Coloma Road
Box 136
Riverside, MI 49084
(616) 849-3333

Paul & Penny Stack
Cadillac KOA
23163 M 115
Tustin, MI 49688
(616) 825-2012

Ralph & Constance Doyle
Detroit/Greenfield KOA
6680 Bunton Road
Ypsilanti, MI 48197
(313) 482-7722

"G" Enterprs./Steve & Pamela Gould
Gaylord Michaywe KOA
5101 Campfire Parkway
Gaylord, MI 49735
(517) 732-4126

MICHIGAN (conti.)

Norma Reed
Mackinaw City KOA
566 Trailsend Road, Box 616
Mackinaw City, MI 49701
(616) 436-5643

Ray & Donna Crots
Monroe County KOA
US 23 at Summerfield Road
Petersburg, MI 49270
(313) 856-4972

Gary & Cheryl Brewer
Muskegon KOA
3500 North Strand Road
Muskegon, MI 49445
(616) 766-3900

Robert & Margaret Pike
Newberry KOA
Jct M 123 & M 28, Box 7
Newberry, MI 49868
(906) 293-5762

Richard & Colette Honea
Oscoda KOA
3591 Forest Avenue
Oscoda, MI 48750
(517) 739-5115

Wayne & Lorene Rose
Petoskey KOA
1800 North US 31
Petoskey, MI 49770
(616) 347-0005

754th, Inc.
Raymond Heins
Port Austin KOA
8195 North Van Dyke Road
Port Austin, MI 48467
(517) 738-2267

Howard & Shirley Stein
Port Huron KOA
5111 Lapeer Road
Kimball, MI 48074
(810) 987-4070

Frederick Dandona
St. Ignace KOA
1242 US 2 West
St. Ignace, MI 49781
(906) 643-9303

MINNESOTA

William & Florence McEachern
Austin-Albert Lea KOA
Route 3, Box 15
Hayward, MN 56043
(507) 373-5170

Jule G. (Red) & Kay Basinger
Elizabeth Basinger Cue
Bemidji KOA
5707 Highway 2 West
Bemidji, MN 56601
(218) 751-1792

Marshall G. & Susan M. Nordquist
Cloquet/Duluth KOA
1479 Carlton Road
Cloquet, MN 55720
(218) 879-5726

Leonard & Norma Thompson
Jackson KOA
Route 3, Box 22
Jackson, MN 56143
(507) 847-3825

Dan & Joyce Hou
Minneapolis NW KOA
MN Highway 101, Box 214
Rogers, MN 55374
(612) 420-2255

Richard & Susan Poss
St. Paul East KOA
568 Cottage Grove Drive
Woodbury, MN 55125
(612) 436-6436

Twins Campground, Inc.
Donald J. Hamm
Mpls SW/Jordan-Shakopee KOA
3315 West 166th Street
Jordan, MN 55352
(612) 492-6440

Robert & Mary Dennis
Moorhead KOA
R.R. 4, Box 168
Moorhead, MN 56560
(218) 233-0671

Roger & Barbara Philip
Rochester KOA
I-90, US 52 South
5232 65th Avenue SE
Rochester, MN 55904
(507) 288-0785

MINNESOTA (conti.)

Fred & Barbara Brossmer
St. Cloud/Clearwater KOA
2454 County Road 143
Clearwater, MN 55320
(612) 558-2876

Bob & Jan Wieczorek
Winona KOA
Route 6, Box 18 I
Winona, MN 55987
(507) 454-2851

MISSISSIPPI

August & Audry Scafidi
Bay St. Louis KOA
814 Highway 90
Bay St. Louis, MS 39520
(601) 467-2080

Wayne & Betty Burkett
Carroll County/Vaiden KOA
P.O. Box 227, Route 1
Vaiden, MS 39176
(601) 464-9336

James & Dorothy Myers
Laurel KOA
2920 Highway 11 North
Laurel, MS 39440
(601) 426-6444

Toomsba Camping, Inc.
Preston Harper, President
Toomsba Meridian East KOA
3953 KOA Campground Road
Toomsba, MS 39364
(601) 632-1684

Craig & Linda Orrison
Ocean Springs/Biloxi KOA
7501 Highway 57
Ocean Springs, MS 39564
(601) 875-2100

MISSOURI

Robert & Sharon Klein
Branson North KOA
116 North Greta Road
Branson, MO 65616
(417) 334-0848

(Planned)
Oremus Ozark Venture, Inc.
Forsyth KOA
7601 W 79th St.
Bridgeview, IL 60455
(708) 458-0400

MISSOURI (conti.)

DAJOLO, Inc.
Dan & Joyce Webb
Hayti/Portageville KOA
Route 2, Box 272
Portageville, MO 63873
(573) 359-1580

Patrick & Marilyn Chaplin
Jonesburg KOA
Box H, Route E
Jonesburg, MO 63351
(314) 488-5630

Milt & Diane Porter
Joplin KOA
Route 5, Box 870
Joplin, MO 64804
(417) 623-2246

M & J Development Co.
Tina Siegel, Secy.
Kimberling City KOA
Route 5, Box 465
Kimberling City, MO 65686
(417) 739-4627

JaJo Enterprises Corporation
Kansas City East/Oak Grove KOA
Box 191
Oak Grove, MO 64075
(816) 625-7515

Dennis & Kelly Szymanski
Lebanon KOA
18376 Campground Rd.
Phillipsburg, MO 65722
(417) 532-3422

Larry & Patricia Jones
Osage Beach/Lake Ozark KOA
498 East Highway 42
Lake Ozark, MO 65049
(314) 348-3445

Ken & Sharon Petty
Perryville/Cape Girardeau KOA
Route 5, Box 114
Perryville, MO 63775
(314) 547-8303

Ron & Marleen Tetzlaff
Rock Port KOA
R.R. 4, Box 204
Rock Port, MO 64482
(816) 744-5485

MISSOURI (conti.)

Selsor Development Group, Inc.
Kevin Selsor, President
St. Louis South KOA
8000 Metropolitan Boulevard
Barnhart, MO 63012
(314) 479-4449

Ron & Doris Harden
Stanton KOA
Route 44, Exit 230 Highway "W"
Stanton, MO 63079
(314) 927-5215

Billey D. & Robin Calvin
Sullivan/Meramec KOA
1451 East Springfield
Sullivan, MO 63080
(314) 468-8750

Show Me Outdoor, Inc.
St. Louis West KOA
P.O. Box 128
Eureka, MO 63025
(314) 257-3018

REC Ventures, Inc.
Springfield KOA
5775 W FR 140
Springfield, MO 65802
(417) 831-3645

MONTANA

Steve & Jeanie Anderson
Alder/Virginia City KOA
2280 Highway 287, Box 103
Alder, MT 59710
(406) 842-5677

FUN-N-SUN, Inc.
Ellis Faw
Big Timber KOA
HC 88, Box 3634
Big Timber, MT 59011
(406) 932-6569

Marvin & Carol Linde
Billings Metro KOA
547 Garden Avenue
Billings, MT 59101
(406) 252-3104

Charles & Nancy Page
Bozeman KOA
133 Lower Rainbow Road
Bozeman, MT 59715
(406) 587-3030

MONTANA (conti.)

Tom & Jean Steele
Butte KOA
1601 Kaw Avenue
Butte, MT 59701
(406) 782-8080

Dennis & Sharon Brown
Choteau KOA
R.R. 2, Box 87, Highway 221
Choteau, MT 59422
(406) 257-8280

Ron Scharf
Deer Lodge KOA
819 Main
Deer Lodge, MT 59722
(406) 846-1629

Dave & Carol Blomgren,
Joy Oldham
Dillon KOA
735 West Park Street
Dillon, MT 59725
(406) 683-2749

Loren Smith
Great Falls KOA
1500 51st Street South
Great Falls, MT 59405
(406) 727-3191

Warren & Dorothy Hardy
Hardin KOA
R.R. 1, Box 36
Hardin, MT 59034
(406) 665-1635

William & Dorothy Ann Willcutt
Havre KOA
P.O. Box 1790
Havre, MT 59501
(406) 265-9722

Robert G. Dunlop
Helena KOA
5820 North Montana Avenue
Helena, MT 59601
(406) 458-5110

Terence & Diane DeVine
Livingston/Paradise Valley KOA
163 Pine Creek Rd.
Livingston, MT 59047
(406) 222-0992

MONTANA (conti.)

Lawrence & Linda Bennert III
Miles City KOA
1 Palmer Street
Miles City, MT 59301
(406) 232-3991

Elmer & Marge Frame
Missoula KOA
3695 Tina Avenue
Missoula, MT 59802
(406) 549-0881

Steve & Sheryl Leicht
Polson KOA
200 Irvine Flats Road
Polson, MT 59860
(406) 883-2151

S.A. Edgell & Rich & Judy Klinker
Red Lodge KOA
Highway 212, Box 936
Red Lodge, MT 59068
(406) 446-2364

John Cochran (Planned)
St. Regis KOA
PO Box 187, 4 Mile Rd.
St. Regis, MT 59866

Tom Glorvigen
Three Forks KOA
Route 1, Box 222
Three Forks, MT 59752
(406) 285-3611

Greg & Therese McClure
Charles & Norma McClure
West Glacier KOA
Box 215, 215 KOA Road
West Glacier, MT 59936
(406) 387-5341

Whitefish Campgrounds, Inc.
Larry Kim Smith, President
Whitefish/Kalispell N. KOA
5121 Highway 93 South
Whitefish, MT 59937
(406) 862-8824

Marv & Carol Linde
Yellowstone Park/W. Entrance KOA
Box 327
W. Yellowstone, MT 59758
(406) 646-7607

NEBRASKA

Barry & Gwen McDiarmid
Gothenburg KOA
I-80 & Highway 47 South, Box 353
Gothenburg, NE 69138
(308) 537-7387

Marc Hultine
Hastings, NE
302 E 26th Street
Hastings, NE 68901
(402) 462-5621

Jacque & Valerie Stunich
Henderson KOA
R.R. 1, Box 173
Henderson, NE 68371
(402) 723-4310

William & Belinda Rigdon
Kimball KOA
R.R. 1, Box 128D
Kimball, NE 69145
(308) 235-4404

Sherry Holzapfel
West Omaha KOA
14601 Highway 6
Gretna, NE 68028
(402) 332-3010

Lori & Bruce Holstein
Scottsbluff KOA
180037 KOA Drive
Scottsbluff, NE 69361
(308) 635-3760

Vernon & Betty Brill
Valentine KOA
HC 37, Box 3
Valentine, NE 69201
(402) 376-1162

NEVADA

Lon & Betty Olson
Ely KOA
HC 10, Box 10800
Ely, NV 89301
(702) 289-3413

(Note 1) Las Vegas KOA
4315 Boulder Highway
Las Vegas, NV 89121
(702) 451-5527

NEVADA (conti.)

Charles (Mike) & Dolly Cappa
Wendover KOA
1250 Camper Drive
P.O. Box 2379
Wendover, NV 89883
(702) 664-3221

Bill Rodriguez (Planned)
Wells KOA
P.O. Box 626
Wells, NV 89835
(702) 752-3366

NEW HAMPSHIRE

Michael & Judith Sullivan
Littleton/Lisbon KOA
R.R. 2, Box 173
Littleton, NH 03561
(603) 838-5525

Steve & Barbara Rabesa
Twin Mountain KOA
Route 115, P.O. Box 148
Twin Mountain, NH 03595
(603) 846-5559

Steve & Darlene Davis
Woodstock KOA
Box 6 H, Route 175
Woodstock, NH 03293
(603) 745-8008

NEW JERSEY

Hans & Joan Walker
Colleen & James Sellers
Atlantic City North KOA
Stage Road, Box 242
Tuckerton, NJ 08087
(609) 296-9163

NEW MEXICO

Ken & Judy Bonnell
Alamogordo KOA
412 24th Street
Alamogordo, NM 88310
(505) 437-3003

(Note 1) Albuquerque Central
12400 Skyline Road NE
Albuquerque, NM 87123
(505) 296-2729

NEW MEXICO (conti.)

Marlin & Patricia Johnson
Albuquerque North/Bernalillo KOA
P.O. Box 758
Bernalillo, NM 87004
(505) 867-5227

James & Katie Moll
Farmington/Bloomfield KOA
1900 East Blanco Boulevard
Bloomfield, NM 87413
(505) 632-8339

Charles & Susan Richardson
Clayton KOA
903 South 5th Street, Box 366
Clayton, NM 88415
(505) 374-9508

Eugene's Golden Moment, Inc.
Eugene Dolney, President
Gallup KOA
2925 West Highway 66
Gallup, NM 87301
(505) 863-5021

David & Susan J. Douglas
Las Vegas KOA
Box 16, Anton Chico Route
Las Vegas, NM 87701
(505) 454-0180

Palmarin & Fortunata Castro
Lordsburg KOA
1501 Lead Street
Lordsburg, NM 88045
(505) 542-8003

Arthur & Patricia Shandera
Raton KOA
1330 South Second
Raton, NM 87740
(505) 445-3488

Ernest & Vonda Schnitger
Santa Fe KOA
Route 3, Box 95A
Santa Fe, NM 87505
(505) 466-1419

William & Janet Mitchell
Santa Rosa KOA
Between Exit 275 & 277, I-40
Box 423
Santa Rosa, NM 88435
(505) 472-3126

Note 1: Franchisor Owned Campground

NEW MEXICO (contl.)

Jim & Jackie Blurton
Silver City KOA
11824 Highway 180 East
Silver City, NM 88061
(505) 388-3351

Michael & Serena Roberts
Truth or Consequences KOA
Star Route
Caballo, NM 87931
(505) 743-2811

Harold J. & Barbara J. Bastle
Tucumcari KOA
6299A Quay Road AL
Tucumcari, NM 88401
(505) 461-1841

NEW YORK

Ausable Chasm Rec, Inc.
Patricia A. Stone, Gen. Mgr.
Ausable Chasm KOA
US 9 & NY 373
Ausable Chasm, NY 12911
(518) 834-9990

Syl's Place, Inc.
Sylvia Watson, President
Canadaigua KOA
5374 Farmington Town Line Road
Farmington, NY 14425
(716) 398-3582

Remsen Building Supply, Inc.
Rudolph Scialdo, President
Cooperstown North KOA
P.O. Box 786
Cooperstown, NY 13326
(315) 858-0236

Rudolph & Rena Scialdo
Herkimer KOA
Route 28
Herkimer, NY 13350
(315) 891-7355

O'Neal Unlimited Inc.
Lake George/Saratoga KOA
Road 1, Box 61
Lake Luzerne, NY 12846
(518) 696-2615

Mike Devlin
Lake Placid/Whiteface Mntn. KOA
Dept K, Fox Farm Road
Wilmington, NY 12997
(518) 946-7878

NEW YORK (contl.)

Bruce & Pat Larabee
Massena KOA
84 County Route 42 Ext.
Massena, NY 13662
(315) 769-9483

Country Village, Inc.
David & Sandra Toms
Mexico KOA
Tubbs Road, Road 3
Mexico, NY 13114
(315) 963-3509

Francis & Paula Larrivee
Natural Bridge/Watertown KOA
Box 71 A, Route 3
Natural Bridge, NY 13665
(315) 644-4880

Hudson Valley Kmpgrd Int'l, Inc.
Wesley & Rita Conklin
Newburgh/New Paltz KOA
Box 134 K
Freetown Highway
Plattekill, NY 12568
(914) 564-2836

Dave & Ann Rich
Niagara Falls Koa
2570 Grand Island Blvd.
P.O. Box 509
Grand Island, NY 14072
(716) 773-7583

Pat Furman
Niagara Falls N/Lewiston Koa
1250 Pletcher Road
Lewiston, NY 14092
(716) 754-8013

Albert & Joan Miller
Ogdensburg KOA
Box 64, Road 2
Ogdensburg, NY 13669
(315) 393-3951

Old Forge Kampgrounds, Inc.
John & Laura Hanford
Old Forge KOA
Box 51, Route 28
Old Forge, NY 13420
(315) 369-6011

Daniel & Arleen Gardner (Planned)
Timothy Smith
E Palmyra KOA
3042 Lyon Road
Marion, NY 14505
(315) 597-9052

NEW YORK cont.

Marge Clemens
Rome/Verona KOA
6591 3 Blackmans Corner Road
Verona, NY 13478
(315) 336-7318

William Taylor
Saugerties/Kingston KOA
882 Route 212
Saugerties, NY 12477
(914) 246-4089

Plainville Campgrounds, Inc.
Roy Broadwell, President
Syracuse KOA
7620 Plainville Road
Memphis, NY 13112
(315) 635-6405

Charles & Rita Drake (Planned)
Ticonderoga KOA
1 Village Lane
Ticonderoga, NY 12883
(518) 585-7806

George & Ann Steinheimer
Unadilla/Oneonta KOA
Road 1, Box 186
Franklin, NY 13775
(607) 369-9030

Paul & Camille Friesen
Watkins Glen KOA
Box 228, Route 414 South
Watkins Glen, NY 14891
(607) 535-7404

Don & Doris Hanes
Westfield/Lake Erie KOA
8001 Route 5
Westfield, NY 14787
(716) 326-3573

NORTH CAROLINA

Marion & Karel Buice
Travis & Vicki Gilkeyson
Asheville East KOA
Route 70 East, Box 485
Swannanoa, NC 28778
(704) 686-3121

Terrell T. & Maria G. Garren
Asheville West KOA
309 Wiggins Road
Chandler, NC 28715
(704) 665-7015

NORTH CAROLINA (contl.)

Sleeping Indian Kampground, Inc.
Dr. R.H. Harmon
Boone KOA
R.R. 2, Box 205
Boone, NC 28607
(704) 264-7250

Travel Camps, Inc.
Robert Taylor
Cape Hatteras KOA
Route 12, P.O. Box 100
Rodanthe, NC 27968
(919) 987-2307

Sontag, Inc.
Walt & Betty Schumacher
Cherokee/Great Smokies KOA
Big Cove Road, Star Route-Box 39
Cherokee, NC 28719
(704) 497-9711

James & Laura Bell
Enfield/Rocky Mount KOA
Exit 154 I-95
Box 84 A Route 2
Enfield, NC 27823
(919) 445-5925

C. William Lawrence
Fayetteville/Wade KOA
Box 67, Exit 61 off I-95
Wade, NC 28395
(910) 484-5500

Greensboro Campground, Inc.
George Jones, President
Greensboro KOA
2300 Montreal Avenue
Greensboro, NC 27406
(910) 274-4143

George & Mary Jane Schulz
Selma/Smithfield KOA
428 Fairbanks Road
Selma, NC 27576
(919) 965-5923

Larry & Helen Brown
Statesville KOA
162 KOA Lane
Statesville, NC 28677
(704) 873-5560

NORTH DAKOTA

B & K Enterprises, Inc.
Robert & Sharon (Kay) Berry
Bismarck KOA
3720 Centennial Road
Bismarck, ND 58501
(701) 222-2662

Bertha Pugh
Dickinson KOA
P.O. Box 1074, Route 4
Dickinson, ND 58602
(701) 225-9600

Ken & Ann Case
Jamestown KOA
3605 80th Avenue SE
Jamestown, ND 58401-9511
(701) 252-6262

Gerald & Sandra Boe
Minot KOA
R.R. 4, Box 180
Minot, ND 58701
(701) 839-7400

OHIO

Walter & Carol Preble
Buckeye Lake/Columbus East KOA
4460 Walnut Road
P.O. Box 972
Buckeye Lake, OH 43008
(614) 928-0706

Harold & Sheila Wies
Butler/Mohican KOA
6918 Bunker Hill Road South
Butler, OH 44822
(419) 883-3314

Leo & Carol Soehnlen
Canton/East Sparta KOA
3232 Downing Street SW
East Sparta, OH 44626
(216) 484-3901

J & J Rose, Inc.
Dayton KOA
7796 Wellbaum Road
Brookville, OH 45309
(513) 833-3888

William & Betty Mahr
Logan KOA
29150 Pattor Road, Route 664 S
Logan, OH 43138
(614) 385-4295

OHIO (contl.)

T. Chris & Connie Hansen
Mt Gilead/Columbus N KOA
5961 S.R. 95, R.R. 3
Mt Gilead, OH 43338
(419) 768-3428

Edward Foley
Toledo Maumee KOA
State Route 295
Swanton, OH 43558
(419) 826-8784

Ed & Janet Richardson
Toledo East/Stony Ridge KOA
24787 Luckey Road
Perrysburg, OH 43551
(419) 837-6848

Edward & Carol Wetmiller
Wapakoneta/Lima South KOA
14719 Cemetery Road
Wapakoneta, OH 45895
(419) 738-6016

Guyco Campgrounds, Inc.
Zanesville KOA
2850 South Pleasant Grove Road
Zanesville, OH 43701
(614) 452-5025

OKLAHOMA

John & Lois Jones
Ardmore/Marietta KOA
Route 1, Box 640
Marietta, OK 73448
(405) 276-2800

AJ & Sallie Nichols
Checotah/Henryetta KOA
H C 68, Box 750
Checotah, OK 74426
(918) 473-6511

Sherrard Motor Co., Inc.
Colbert/Durant KOA
111 Sherrard Drive, Box 15 A
Colbert, OK 74733-9735
(405) 296-2485

Jo Ella Wilson
El Reno KOA
Route 1
Calumet, OK 73014
(405) 884-2595

OKLAHOMA cont.

James & Jerrilene Carey
Elk City/Clinton Lake KOA
Interstate 40, Exit 50 Clinton Lake
P.O. Box 137
Canute, OK 73626
(405) 592-4409

Roger & Twylah Hughes
Oklahoma City East KOA
6200 South Choctaw Road
Choctaw, OK 73020-5002
(405) 391-5000

Ron & Barbara Duncan
Sallisaw KOA
½ S I-40, US 59
Box 88 US 59
Sallisaw, OK 74955
(918) 775-2792

Tulsa Kampground, Inc.
Tulsa NE KOA
19605 East Skelly Drive
Catoosa, OK 74015
(918) 266-4227

OREGON

Mike & Gertrude Coughlin
Ashland KOA
5310 Highway 66
Ashland, OR 97520
(503) 482-4138

Recreational Adventures Corp.
Richard Cutler, President
Astoria KOA
1100 Ridge Road
Hammond, OR 97121
(503) 861-2606

Max & Claudia Meeks
Bandon/Port Orford KOA
46612 Highway 101 South
Langlois, OR 97450
(503) 348-2358

James Burgess
Cascade Locks/Portland East KOA
Star Route Box 660
Forest Lane
Cascade Locks, OR 97014
(541) 374-8668

OREGON (conti.)

RVJ Inc./Michael & Priscilla Greig
Arlene Heins
Corvallis KOA
33775 Oakville Road
Albany, OR 97321
(503) 967-8521

Robert Marquess
Creswell KOA
298 East Orgeon Avenue
P.O. Box 189
Creswell, OR 97426
(503) 895-4110

Rudy & Marsden Warren
Grants Pass/Sunny Valley KOA
140 Old Stage Road
Sunny Valley, OR 97497
(503) 479-0209

Eleanor A. Miller
Grants Pass/Redwood Highway
13370 Redwood Highway
Wilderville, OR 97543
(503) 476-6508

Charles & Claudia McCoskey
Klamath Falls KOA
3435 Shasta Way
Klamath Falls, OR 97603
(503) 884-4644

Oregon Kampgrounds, Inc.
Melvin Lay
Lincoln City KOA
5298 NE Park Lane
Otis, OR 97368
(503) 994-2961

Thomas & Patricia Howard
Randall Mogensen
Madras KOA
2435 SW Jericho Lane
Culver, OR 97734
(503) 546-3046

Kenneth & Kathryn Ferris
Medford/Gold Hill KOA
Blackwell Road
Central Point, OR 97502
(503) 855-7710

Francis & Kathleen Gross (Planned)
Oregon Dunes KOA
4135 Coast Hwy
PO Box 970
N. Bend, OR 97459

OREGON (conti.)

Dennis & Cecelia McCarthy
Sisters KOA
67667 Highway 20 West
Bend, OR 97701
(503) 549-3021

Jeanette Gelatt (Planned)
Jeri Reynolds
Sweet Home KOA
1362 Clark Mill Rd, P.O. Box 422
Sweet Home, OR 97386
(503) 367-4962

PENNSYLVANIA

Allentown Lehigh Valley, Inc.
Wilbert J. Weber, President
Allentown KOA
6750 KOA Drive
New Tripoli, PA 18066
(610) 298-2160

Barbara Saulsbury & John Dillon
Bellefonte/State College KOA
2481 Jacksonville Road
Bellefonte, PA 16823
(814) 355-7912

Carmen Prato
Delaware Water Gap KOA
Hollow Road, Road 6, Box 6196
East Stroudsburg, PA 18301
(717) 223-8000

Richard & Kathleen Engel
Erie KOA
6645 West Road
McKean, PA 16426
(814) 476-7706

Emile & Linda Bergeron
Gettysburg KOA
20 Knox Road
Gettysburg, PA 17325
(717) 642-5713

Hugh Waskovich
Hazleton/Wilkes Barre KOA
R.R. 1, Box 1405
Drums, PA 18222-9801
(717) 788-3382

RMC Enterprises Inc.
Robert McCarter
Hershey KOA
P.O. Box 449
Hershey, PA 17033-0449
(717) 367-1179

PENNSYLVANIA (conti.)

Joseph B. & Loretta B. Maitre
Jonestown KOA
500 Old Route 22 East
Jonestown, PA 17038
(717) 865-2526

Althea Hawk & Mary L. Estep
Kinzua East KOA
Kinzua Heights
Bradford, PA 16701
(814) 368-3662

James, Henry & John Gibbel
Lancaster/Reading KOA
3 Denver Road
Denver, PA 17517
(717) 336-2112

William & Georgette Jones
Madison KOA
Road 2, Box 560
Ruffsdales, PA 15679
(412) 722-4444

Kamping & Recreation Enterprises
Henry Schmid, President
Mercer/Grove City KOA
1337 Butler Pike
Mercer, PA 16137
(412) 748-3160

Gary & Lori Levesque/Marg
Levesque
Philadelphia/West Chester KOA
P.O. Box 920
Unionville, PA 19375
(610) 486-0447

Stanley Ely
Tunkhannock KOA
Route 6, P.O. Box 768
Tunkhannock, PA 18657
(717) 836-4122

Robert & Carol Hartlage
Washington KOA
7 KOA Road
Washington, PA 15301
(412) 225-7590

SOUTH CAROLINA

Christine Mathieu & Kathleen Dye
Anderson/Lake Hartwell KOA
200 Wham Circle
Anderson, SC 29625
(803) 287-3161

SOUTH CAROLINA (conti.)

XO Bunch, Jr.
Charleston KOA
9494 Highway 78
Ladson, SC 29456
(803) 797-1045

James & Carol Thren
Florence KOA
1115 East Campground Road
Florence, SC 29506
(803) 665-7007

Donald & Leona Kirby
Joanna/Columbia West KOA
Route 2, Box 154
Kinards, SC 29355
(803) 697-5105

Oakland Associates Ltd. (Planned)
Shay Gregorie
Mt. Pleasant/Charleston KOA
P.O. Box 248
Mt. Pleasant, SC 29464
(803) 884-0095

Birch Canoe Campground Inc.
Richard & Larkin Spivey
Myrtle Beach KOA
5th Avenue South
Myrtle Beach, SC 29577
(803) 448-3421

William & Barbara Olendorf
Point South KOA
P.O. Box 1760
Yemassee, SC 29945
(803) 726-5733

SOUTH DAKOTA

Jerry & Diane Taylor
Badlands/White River KOA
HCR 54, Box 1
Interior, SD 57750
(605) 433-5337

Mike & Judy Thompson
Belvidere East KOA
HCR 62, Box 108
Midland, SD 57552
(605) 344-2247

Arthur & Velena Gilbert
Chamberlain KOA
I-90 Exit 265 South, Box 498
Chamberlain, SD 57325
(605) 734-5729

SOUTH DAKOTA conti.

Charles & Jeannie Hamlin
Custer/Mt. Rushmore KOA
3 Miles West of Custer-US 16
R.R. 1, Box 55-C
Custer, SD 57730
(605) 673-4304

Quang & Kim-Chi Vo
Custer/Crazy Horse KOA
Route 2, Box 3030
Custer, SD 57730
(605) 673-2565

Steve & Kathy Ice and Patricia Gray
Deadwood KOA
1 Mile West of Deadwood on 14 A
Box 451
Deadwood, SD 57732
(605) 578-3830

Satellite Cable Services, Inc.
Richard Cutler, President
Hill City/Mt. Rushmore KOA
Box 295 K Highway 244
Hill City, SD 57745
(605) 574-2525

Bill & Karen Rose
Hot Springs KOA
Box 112C HCR 52
Hot Springs, SD 57747
(605) 745-6449

Derek & Rosalind Jones
Kennebec KOA
I-90 Exit 235, Box 248
Kennebec, SD 57544
(605) 869-2300

Gerald & Rita Weeden
Mitchell KOA
3 Miles East on SD 38
Route 3, Box 224
Mitchell, SD 57301
(605) 996-1131

Satellite Cable Services, Inc.
Richard Cutler, President
Rapid City KOA
3010 East Highway 44
P.O. Box 2592
Rapid City, SD 57701
(605) 348-2111

SOUTH DAKOTA (contl.)

Tepee Town, Inc.
Duane Spader, President
Sioux Falls KOA
5500 North Cliff
P.O. Box 963
Sioux Falls, SD 57101
(605) 332-9987

Steven & Marcia Sharp
Spearfish KOA
Exit 10 I-90, Box 429
Spearfish, SD 57783
(605) 642-4633

Billy & Phyllis Greer
N. Sioux City/McCook Lake KOA
P.O. Box 846
North Sioux City, SD 57049
(605) 232-4519

TENNESSEE

Trevor & Mary Snart
Athens KOA
Route 3, 2509 Decatur Pike
Athens, TN 37303
(615) 745-9199

Ken & Sharon Griesmann
Bristol/Kingsport KOA
Box 5024
Kingsport, TN 37663
(615) 323-7790

George & Evelyn Schweitzer
Buffalo River KOA
473 Baron Hallow Road
Hurricane Mills, TN 37078
(615) 213-3900

Jerry & Harriet and
Terry & Brenda Wiles
Cleveland KOA
I-75 Exit 20, Box 3232
Cleveland, TN 37320
(615) 472-8928

Gary & Karen Jackson
Chattanooga South KOA
GA 2 West of I-75
Route 5, Box 12
Ringgold, GA 30736
(706) 937-4166

Richard & Dorothy Terwilliger
Crossville KOA
Route 8, Box 279
Crossville, TN 38555
(615) 484-0860

TENNESSEE (contl.)

Gene & Frances Snyder
Dickson KOA
2340 Highway 46 South
Dickson, TN 37055
(615) 446-9925

James & Linda Middleton
Knoxville North KOA
908 Raccoon Valley Road
Heiskell, TN 37754
(615) 947-9776

John & Carol Mueller
Knoxville East KOA
241 KOA Drive
Kodak, TN 37764
(615) 933-6393

Daniel T. & Virginia L.
McConaughy
Manchester KOA
586 Kampground Road
Manchester, TN 37355
(615) 728-9777

Canada Trace, Inc.
Tom Long
Memphis East/Lakeland KOA
3291 Shohorn Drive
Lakeland, TN 38002
(901) 388-3053

Gary Veazey
Memphis/Graceland KOA
3691 Elvis Presley Boulevard
Memphis, TN 38116
(901) 396-7125

John Shiriram
Nashville North KOA
708 North Dickerson Road
Goodlettsville, TN 37072
(615) 859-0075

OLH, L.P.
Nashville KOA
2626 Music Valley Drive
Nashville, TN 37214
(615) 889-0282

Thomas D. & Judith R. Betters
Newport/Smoky Mountains KOA
240 KOA Lane
Newport, TN 37821
(615) 623-9004

TENNESSEE (contl.)

Walter Dohl
Paris Landing KOA
Route 1, Box 112
Buchanan, TN 38222
(901) 642-6895

Richard Kelch
Pigeon Forge/Gatlinburg KOA
Cedar Top Lane
P.O. Box 310
Pigeon Forge, TN 37868
(615) 453-7903

Henry & Susan Williams
Pulaski KOA
5701 Fayetteville Hwy
Pulaski, TN 38478
(615) 363-4600

Howard & Helen Clutter
Sweetwater KOA
269 Murray's Chapel Road
Sweetwater, TN 37874
(615) 213-3900

TEXAS

Joe & Nancy Williamson
Abilene KOA
4851 West Stamford Street
Abilene, TX 79603
(915) 672-3681

Timothy L. & Bobbi A. Hulen
Amarillo KOA
1100 Folsom Road
Amarillo, TX 79107
(806) 335-1792

Austin Kampground, Inc.
J.M. Rowley, Jr., President
Austin KOA
7009 South I-35
Austin, TX 78744
(512) 444-6322

Invitex, Inc.
Chacko Thomas
Baytown KOA
11810 I-10 East
Baytown, TX 77520
(713) 383-3618

TEXAS (contl.)

Cajun South, a Texas Corp.
Lavern & Marge Oltmer
Belton/Temple/Killeen KOA
P.O. Box 118
Loop 121, Interstate Highway 35
Belton, TX 76513
(817) 939-1961

James Mason, Harold Kohnert &
Richard Gustafson
Dallas KOA
Route 3-7100 South Stemmons
Denton, TX 76205
(817) 497-3353

Joseph & Karin Bellamy
Fort Stockton KOA
Exit 264, I-10 & Warnock
P.O. Box 627
Ft. Stockton, TX 79735
(915) 395-2494

Troy (Ed) & Marcia (Janie) Newton
Fredericksburg KOA
Route 1, Box 238
Fredericksburg, TX 78624
(210) 997-4796

Sandra Goodwin
Houston Central KOA
1620 Peachleaf
Houston, TX 77039
(713) 442-3700

ANMAC Corp.
Houston W/Brookshire KOA
35303 Cooper Road
Brookshire, TX 77423
(713) 375-5678

Robert & Kathleen Taylor
Junction KOA
2145 North Main Street
Junction, TX 76849
(915) 446-3138

Edward R. Keller/Richard J. Keller
Kerrville KOA
2950 Goat Creek Road
Kerrville, TX 78028
(210) 895-1665

Kamping Pleasures Inc.
Linda & Robin Sargent
Lake Corpus Christi/Mathis KOA
Route 1, Box 158 B
Mathis, TX 78368
(512) 547-5201

TEXAS (contl.)

Campgrounds Inc.
Ron & Caren Holliday
Lubbock KOA
5502 County Road, 6300
Lubbock, TX 79416
(806) 762-8653

Kenneth & Dorita Carol Harper
Midland/Odessa KOA
4220 South County Road 1290
Odessa, TX 79765
(915) 563-2368

W.W. Enterprises, Inc.
Lyle & Betty White, Treasurer
Mt. Pleasant KOA
I-30 Exit 162 on FM 2152
P.O. Box 387
Mt. Pleasant, TX 75456-0387
(903) 572-5005

Concho Valley Campgrounds
Marshall & Sheri Gray
San Angelo KOA
6699 Nickerbocker Road
San Angelo, TX 76904
(915) 949-3242

Ron Rohde
San Antonio KOA
602 Gambler Road
San Antonio, TX 78219
(210) 224-9296

L.K.S., Inc.
Kenneth & Linda Scheck
Van Horn KOA
South U.S. 90
Box 265
Van Horn, TX 79855
(915) 283-2728

S & D Holdings, LLC
Waco North KOA
I-35 at County Line Road East
P.O. Box 157
West, TX 76691
(817) 826-3869

Robert & Beverly Wilson
Wichita Falls/Burkburnett KOA
1202 East Third Street
Burkburnett, TX 76354
(817) 569-3081

UTAH

Thomas E. Cranfill
Bear Lake/Garden City KOA
U.S Highway 89
Garden City, UT 84028
(801) 946-3454

William & Barbara McKinzie
Beaver KOA
Manderfield Road, Box 1437
Beaver, UT 84713
(801) 438-2924

Roy & Sara Keith
Brigham City KOA
Box 579, Highway 89
Brigham City, UT 84302
(801) 723-5503

Dan & Dorothy French
Cedar City KOA
1121 North Main
Cedar City, UT 84720
(801) 586-9872

Richard & Ann Fiones
Fillmore KOA
800 South 270 West
HC 61, Box 26
Fillmore, UT 84631
(801) 743-4420

Ellen Lamb
Glendale KOA
US 89, 5 miles North of Glendale
P.O. Box 186
Glendale, UT 84729
(801) 648-2490

Robert, Katherine & Patrick Bailey
Green River KOA
Box 14, 550 Green River Boulevard
Green River, UT 84525
(801) 564-3651

Recreational Ventures Inc. LLC
Flaming Gorge KOA
Box 157, Highway 43
Manila, UT 84046
(801) 784-3184

Jackson & Beverly Baker
Moab KOA
3225 South Highway 191
Moab, UT 84532
(801) 259-6682

UTAH (conti.)

Richard & Ann Meyer
Monticello/Canyonlands KOA
East Route, 6 Miles on Hwy 666
Monticello, UT 84535
(801) 587-2884

Jim & Carolyn Ockey
Nephi KOA
Horseshoe Bar Ranch
Salt Creek Canyon
Nephi, UT 84648
(801) 623-0811

David & Cheryl Jacobson
D.A. Jacobson Investment Company
Provo KOA
320 North 2050 West
Provo, UT 84601
(801) 375-2994

Alvin & Joanne Cowles
Richfield KOA
600 West 600 South
Richfield, UT 84701
(801) 896-6674

Timothy & Leslie McRae
Vernal KOA
1800 West Sheraton Avenue
Vernal, UT 84078
(801) 789-8935

Gregg & Jo Green
Panguitch/Bryce Canyon KOA
P.O. Box 384
Panguitch, UT 84759
(801) 676-2225

VERMONT

Ronald & Lynn Wright
Brattleboro North KOA
R.R. 2
Putney, VT 05346
(802) 254-5908

VIRGINIA

Beveridge Enterprises, Inc.
Bowling Green KOA
Highway 301, P.O. Box 1250
Bowling Green, VA 22427
(804) 633-7592

Nicholas & Anita Lehr
Charlottesville KOA
3826 Red Hill Road
Charlottesville, VA 22903-9710
(804) 296-9881

VIRGINIA conti.

Gordon & Mary Evans
Chesapeake Bay/Smith Island KOA
Box 1910 R.R. 1
Reedville, VA 22539
(804) 453-3430

Gene & Betty DiRusso
Fredericksburg/Washington DC S
KOA
7400 Brookside Lane
Fredericksburg, VA 22408-8856
(703) 898-7252

Hank & Diana Bron
Front Royal/Washington DC W
KOA
South 340, P.O. Box 274
Front Royal, VA 22630
(703) 635-2741

Raymond & Patricia Lawson
Harrisonburg KOA
Route 3, Box 133-1A
Broadway, VA 22815
(703) 896-8929

Bob Allen
Natural Bridge/Lexington KOA
Box 148, US 11
Natural Bridge, VA 24578
(540) 291-2770

Ursula Tison
Petersburg KOA
2809 Courtland Road
Petersburg, VA 23805
(804) 732-8345

Ralph & Joan Riner
Staunton/Verona KOA
Route 781 West, Box 98
Verona, VA 24482
(703) 248-2746

CAA Industries/Kit Moore
Virginia Beach KOA
1240 General Booth Blvd.
Virginia Beach, VA 23451
(804) 428-1444

Scimmino Recreation, Inc.
Gary & Donna Fout
Williamsburg/Busch Gardens KOA
5210 Newman Road
Williamsburg, VA 23188
(804) 565-2907

VIRGINIA conti.

Eugene & Donna Metzger
Wytheville KOA
Route 2, Box 122
Wytheville, VA 24382
(703) 228-2601

WASHINGTON

Nordic Inn Inc. (Planned)
Joe Lin, President
Aberdeen KOA
1700 South Boone Street
Aberdeen, WA 98520
(206) 533-0100

Fosbinders' Campground, Inc.
Ted & Shirley Fosbinder
Bay Center KOA
Bay Center Road, Box 315
Bay Center, WA 98527
(206) 875-6344

Del & Deloris Crowder
Walt & Connie Huffman
Burlington KOA
646 N Green Road
Burlington, WA 98233
(306) 724-5511

Jerry Vermillion/Scott's Fruit & RV
Chehalis/Highway 12 East KOA
118 US Highway 12
Chehalis, WA 98532
(360) 262-9220

JoAnne Stockman
Ellensburg KOA
32 Thorp Highway South
Ellensburg, WA 98926
(509) 925-9319

William M. Jr. & Lennetta G. Lai
Ilwaco KOA
Highway 101, Box 549
Ilwaco, WA 98624
(206) 642-3292

Witt Campground, Inc.
Gene & Caroline Witt
Leavenworth/Wenatchee KOA
US 2, 11401 River Bend Road
Leavenworth, WA 98826
(509) 548-7709

Danny & Shirley Martin
Lynden KOA
8717 Line Road
Lynden, WA 98264
(206) 354-4772

WASHINGTON (conti.)

Paul Onopiuk, Marlene Polen &
Laurie Trole
Port Angeles/Sequim KOA
80 O'Brien Road
Port Angeles, WA 98362
(206) 457-5916

Satellite Cable Services, Inc.
Richard Cutler, Pres.
Seattle South KOA
5801 South 212th
Kent, WA 98032
(206) 872-8652

Bill & Cathy Chapman
Spokane KOA
3025 North Barker Road
Otis Orchards, WA 99027
(509) 924-4722

Stockdale, Inc.
Bryan Stockdale
Vantage KOA
10 Lakeview Avenue, Box 1101
Vantage, WA 98950
(509) 856-2230

Betty Meyers
Winthrop KOA
P.O. Box 305
1114 Highway 20
Winthrop, WA 98862
(509) 996-2258

Bill & Muriel Jensen
Yakima KOA
1500 Keyes Road
Yakima, WA 98901
(509) 248-5882

WEST VIRGINIA

James, Jr. & Doris Stokes
Pipestem KOA
H.C. 78, Box 37B
Pipestem, WV 25979
(304) 466-5114

WISCONSIN

David & Nancy Evans
Fond du Lac KOA
W 5099 Highway B
Fond du Lac, WI 54935
(414) 477-2300

WISCONSIN (conti.)

N. Scott & Judy Whiting
Hayward KOA
Route 3, Box 3462
Hayward, WI 54843
(715) 634-2331

James & Donna Rankin
Hixton/Alma Center KOA
N9657 State Road 95
Alma Center, WI 54611
(715) 964-2508

H. Duane Kundert
Madison KOA
4859 CTH V
DeForest, WI 53532
(608) 846-4528

Robert & Janice Holzer
Menomonie KOA
Route 7, Box 1
Menomonie, WI 54751
(715) 235-0641

Cornelis & Anna M. Van Meeteren
Rice Lake/Haugen KOA
2979 Highway 53 North
P.O. Box 3
Haugen, WI 54841
(715) 234-2360

Edward & Gillian Brennan
Wisconsin Dells KOA
South 235 Stand Rock Road
Wisconsin Dells, WI 53965
(608) 254-4177

WYOMING

Donald & Mary Clare (Sue) Gill
Buffalo WY KOA
87 Highway 16 East
P.O. Box 189
Buffalo, WY 82834-0189
(307) 684-5423

Mike & Mary Oman
Casper KOA
2800 East Yellowstone
Casper, WY 82609
(307) 237-5155

Cheyenne KOA (Planned)

WYOMING (conti.)

Satellite Cable Services, Inc.
Richard Cutler, President
Cody KOA
5561 Greybull Highway
Cody, WY 82414
(307) 587-2369

Jess & Ellen Driskill
Devils Tower KOA
Highway 110, P.O. Box 100
Devils Tower, WY 82714-0100
(307) 467-5395

Robert & DeLores Kassner
Douglas KOA
168 Cold Spring Road
P.O. Box 1190
Douglas, WY 82633
(307) 358-2164

Robert & Marilyn Patterson
Greybull KOA
333 North 2nd Street, Box 387
Greybull, WY 82426
(307) 765-2555

Snake River Park Inc.
Richard S. Chatham, President
Jackson KOA
Star Route Box 14 A
Jackson, WY 83001
(307) 733-7078

Bob & Zella Milliken
Laramie KOA
1271 West Baker
Laramie, WY 82070
(307) 742-6553

S. Clark & Mary Anderson
Lyman KOA
Star Route Box 55, Hwy 413
Lyman, WY 82937
(307) 786-2762

Buffalo Valley Resort, Inc.
Harry Washut
Moran Junction KOA
6 Miles East of Moran, Box 92
Moran, WY 83013
(307) 543-2483

Dale E. & Bonnie A. Whitley
Rock Springs KOA
PO Box 2910
Rock Springs, WY 82902
(307) 362-3063

WYOMING (contl.)

Ted & Jean Tomlinson
Sheridan KOA
63 Decker Road, Box 35 A
Sheridan, WY 82801
(307) 674-8766

Art Shierry
Teton Village KOA
2780 North Moose Wilson, Box 38
Teton Village, WY 83025
(307) 733-5354

